

Investment Fund Services

IFSL Marlborough Global High Yield Bond Fund (formerly IFSL Marlborough High Yield Fixed Interest Fund)

**Annual Report and Audited
Financial Statements**

for the year ended 31 December 2025

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

CONTACT INFORMATION

Authorised Fund Manager (AFM)

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 IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Martin Ratcliffe – appointed, 31 July 2025
Dom Clarke – resigned, 1 January 2026
Helen Redmond – resigned, 31 July 2025
Sally Helston – resigned, 1 January 2026
Simon Chalkley
Richard Goodall – appointed, 1 January 2026
Massimiliano Zorza – appointed, 1 January 2026
Katherine Damsell (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Depositary (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.

Investment Manager

Marlborough Investment Management Limited
Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised and regulated by the Financial Conduct Authority.

Sub-Investment Manager (from 12 May 2025)

TCW Investment Management Company LLC
515 South Flower St
Los Angeles
CA 90071
United States

Administrator and Registrar

SS&C Financial Services International Limited
New Marlborough House
55-57 Chorley New Road
Bolton
BL1 4QR

Sub-Investment Manager (to 9 May 2025)

Aberdeen Asset Managers Limited
280 Bishopsgate
London
EC2M 4AG

Authorised and regulated by the Financial Conduct Authority.

Auditor

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

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

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IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 December 2025

Performance to 31 December 2025

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough Global High Yield Bond Fund	3.41%	7.24%	33.01%	24.55%
IA Sterling High Yield sector	3.66%	7.25%	29.23%	21.54%

External Source of Economic Data: Morningstar (P Income - quoted price to quoted price, net income reinvested).

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

Performance statement

The Fund returned 7.24% over the period. During this time, the Fund changed its investment approach from focusing on European investments to investing across global markets. As a result, a new performance target benchmark, the Bloomberg Global High Yield Corporate Index (GBP Hedged), was introduced on 3 July 2025.

Over the full period, the IA Sterling High Yield Sector (used as a comparator) returned 7.25%.

From 3 July 2025 (when the new benchmark was introduced), the Fund returned 3.23%, compared with 3.55% for the Bloomberg Global High Yield Corporate Index (GBP Hedged).

Market review

Global High Yield markets experienced a year marked by frequent changes in sentiment. Investors started the year in a positive mood, helped by steady demand and limited new bond issuance. However, this changed as governments introduced new trade policies, which increased uncertainty and affected markets, particularly in the US. At the same time, political developments in Europe led to large movements in government bond prices, although European High Yield bonds remained more stable.

After these early shifts, market confidence improved and companies issued new bonds at record levels, especially in Europe. Later in the year, further geopolitical tensions, higher oil prices and delays to US economic data created additional periods of caution. Despite these challenges, major bond and share markets ended the year higher overall.

Fund performance review

The Fund maintained a cautious approach throughout the year, reflecting the limited value available in markets and the broader economic uncertainty. This focus on resilience supported results when markets became more volatile at certain points of the year. Holdings in pharmaceutical and packaging companies contributed positively, offering steady income and stability. Some selective positions in gaming companies also helped performance, as operators in this area continued to benefit from healthy long-term trends.

Following the transition from being focused purely on European investment to having a global remit, the Fund benefited from avoiding parts of the market that struggled, including certain basic industry bonds. Choosing stronger individual issuers also added value. For example, holdings in a chemicals company Braskem performed well as the Fund had anticipated challenges that later affected its bond prices. Other positions benefited from restructuring activity or improving company performance. However, specific areas weighed on results. Holdings in two wireline communications companies detracted as both faced slow progress in their financial restructuring plans. A media company also underperformed due to uncertainty about possible corporate changes. Sector positioning created further challenges at times. A lower exposure to energy held back performance, while a higher exposure to communications was affected by high levels of company borrowing and strong competition across global markets.

Portfolio activity

This was a year of significant change as the Fund moved to invest more broadly with the change of mandate described above. Early activity focused on improving overall quality and reducing exposure to companies most affected by political and economic uncertainty. Additions included bonds issued by utilities, banks, energy infrastructure companies and a major car manufacturer, all chosen for their stronger financial profiles.

Some holdings were sold due to increasing risks. These included companies exposed to changes in US tariffs, sectors under pressure such as European car production, and a business facing both regulatory uncertainty and a near-term bond maturity.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 December 2025

Investment commentary (continued)

Portfolio activity (continued)

New investments were made in selected banks and real estate companies with improving financial positions, as well as telecommunications businesses expected to benefit from better trading conditions. The Fund reduced exposure to areas facing potential challenges, such as chemicals, and reallocated towards higher-quality US issuers across sectors including energy, pharmaceuticals and gaming.

Investment outlook

Company bonds remain expensive compared with history, offering limited protection should markets become more volatile. While much of the market has become more expensive, the riskiest area-CCC rated issuers-has lagged and now offers better value in relative terms.

The chemicals sector shows the most pricing pressure, driven by weaker global demand, higher energy costs in Europe and additional supply from China. These conditions are likely to continue into 2026 and may create selective opportunities for investors with a disciplined approach who are focused on taking measured risk for the right level of return.

Against this backdrop, the Fund remains focused on gradually improving overall quality and favouring companies less sensitive to changes in the economic environment. We will continue to look for individual situations where prices offer clear value while maintaining a cautious and flexible approach.

TCW Investment Management Company LLC

10 March 2026

Explanation of terms*

Benchmark - used for performance comparative purposes.

Distributions

	<u>Year 2026</u>	<u>Year 2025</u>	<u>Year 2024</u>	<u>Year 2023</u>
<u>A Income (pence per unit)</u>				
Net income paid last day of February	0.834339	0.911672	0.853280	0.767228
Net income paid 31 May		0.966044	0.867956	0.742639
Net income paid 31 August		0.993070	0.876407	0.771414
Net income paid 30 November		0.927490	0.868159	0.843084
<u>P Income (pence per unit)</u>				
Net income paid last day of February	1.008499	1.020487	0.953612	0.856008
Net income paid 31 May		1.075944	0.970656	0.832426
Net income paid 31 August		1.106676	0.979709	0.863999
Net income paid 30 November		1.106896	0.973289	0.939961
<u>P accumulation (pence per unit)^A</u>				
Net accumulation paid last day of February	1.046635	0.184364	N/A	N/A
Net accumulation paid 31 May		0.338656	N/A	N/A
Net accumulation paid 31 August		1.110734	N/A	N/A
Net accumulation paid 30 November		1.128561	N/A	N/A

^A This unit class launched on 5 December 2024 with units initially issued on 12 December 2024.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the year ended 31 December 2025

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
CCO Holdings 5.375% 01.06.29	303,852
Deutsche Bank 7.125% Perp	297,190
Forvia 5.625% 15.06.30	267,463
Waga BondCo 8.5% 15.06.30	235,850
Virgin Money UK 11% Perp	228,250
CSC Holdings 6.5% 01.02.29	205,127
Sunoco 7.875% Perp	200,766
NatWest Group 7.5% Perp	200,580
Matterhorn Telecom 4.5% 30.01.30	200,576
Biffa Group Holdings 7.375% 15.06.31	200,000
Other purchases	22,989,896
Total purchases for the year	25,329,550
<u>Largest sales</u>	<u>Proceeds (£)</u>
Vertical Midco 4.375% 15.07.27	456,242
Albion Financing 1 / Aggreko Holdings 5.25% 15.10.26	417,169
Verisure Midholding 5.25% 15.02.29	343,278
B&M European Value Retail 4% 15.11.28	331,481
Ardagh Metal Packaging Finance 2% 01.09.28	329,864
Alstria Office REIT 0.5% 26.09.25	326,129
UGI International 2.5% 01.12.29	321,576
Techem Verwaltungsgesellschaft 674 6% 30.07.26	319,350
Electricité de France 2.625% Perp	318,934
Kier Group 9% 15.02.29	302,445
Other sales	26,543,814
Total sales for the year	30,010,282

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

AUTHORISED STATUS

IFSL Marlborough Global High Yield Bond 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 increase the value of an investment over a minimum of 5 years. The Fund will do this through a combination of income received by the Fund, which is money paid out of investments as interest, and capital growth, which is profit on investments held.

The Fund aims to outperform the Bloomberg Global High Yield Corporate Index (GBP Hedged) over any 5 year period, after any charges or expenses have been taken out of the Fund.

There is no certainty that either aim of the Fund will be achieved.

Investment policy

The Fund is actively managed which means the Investment Manager decides which investments to buy or sell, and when.

At least 80% of the Fund will be invested in high yield bonds issued by companies and institutions. These will be sub-investment grade or unrated bonds, which are loans issued by entities that can be more vulnerable to changing market conditions and typically pay higher rates of interest than investment grade bonds.

The Fund may also invest in investment grade bonds, bonds issued by governments, bonds which may be converted into shares (known as convertible bonds), preference shares, permanent interest-bearing shares and money market instruments (short term loans typically issued by governments and corporations). Whilst the Fund will not buy shares in companies, there may be times where the Fund receives shares, or has the ability to buy shares, as part of a corporate event on an existing holding.

The Fund may hold up to 20% in cash to enable the ready settlement of liabilities (including the redemption of units), for the efficient management of the portfolio or in pursuit of the Fund's investment objective.

The Fund uses derivatives (instruments whose returns are linked to another asset, market or other variable factor) and forward transactions linked to exchange rates, for the purposes of efficient portfolio management. This includes reducing currency risk in the Fund and managing the Fund's exposure to interest rates, also known as hedging.

Investment strategy

The Fund seeks to achieve its objective whilst limiting exposure to defaulted bonds (which are bonds where the issuer fails to make interest payments or make the final capital repayment), and volatility (a measure of the short-term changes in the value of an investment) to levels lower than the broader global high yield bond market.

The Investment Manager will do this by carefully selecting bonds based on extensive research and analysis. This is known as 'bottom-up credit selection' and involves identifying and evaluating those bonds the Investment Manager believes offer the best risk and return characteristics.

Performance target

The performance target is the level of performance the Fund aims to deliver however there is no certainty this will be achieved.

The Bloomberg Global High Yield Corporate Index (GBP Hedged) has been chosen as the performance target as the composition of the index is broadly similar to the holdings in the Fund, and the Fund will aim to outperform it over any 5 year period.

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 is in the IA Sterling High Yield sector. You may want to assess the Fund's performance compared to the performance of this sector.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

GENERAL INFORMATION

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 Authorised Fund Manager (AFM) is required to carry out an assessment of value at least annually and publish its findings in a report to investors. IFSL Marlborough Global High Yield Bond Fund is assessed and reported on, in a composite report which the AFM publishes on the website <https://www.ifslfunds.com>.

Task force on climate-related financial disclosures

A statement of the climate-related financial disclosures is published on the website <https://www.ifslfunds.com/tcf-reporting>.

Changes in prospectus

On 12 May 2025, the Sub-Investment Manager was changed from Aberdeen Asset Managers Limited to TCW Investment Management Company LLC.

On 3 July 2025, the following changes took effect:

Change to the Fund's name

The Fund's name was changed from IFSL Marlborough High Yield Fixed Interest Fund to IFSL Marlborough Global High Yield Bond Fund.

Change to the Fund's investment objective and policy

There were material changes to the prospectus as follows:

- The investment policy of the Fund was updated;
- The investment strategy was updated;
- The investment objective of the Fund was updated to implement a performance target benchmark.

The changes made in the Prospectus are detailed in the General Information section above.

Changes to the fees and costs of the Fund

The fees and costs below can now be charged to the Fund:

- Fees for producing regulatory documents required by law.
- Costs of using market indices as the Fund's benchmarks.

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 GLOBAL HIGH YIELD BOND FUND

GENERAL INFORMATION

Remuneration policy

In line with the requirements of UCITS V, Investment Fund Services Limited (the AFM) is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under UCITS V. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its senior staff is in line with the risk policies and objectives of the UCITS funds it manages.

The quantitative remuneration disclosures as at 30 September 2025 (the AFM's year end) are set out below:

	Number of identified staff	Total remuneration paid	Fixed remuneration paid	Variable remuneration paid
		£	£	£
Remuneration paid to staff of the AFM who have a material impact on the risk profile of the Fund				
Senior management	10	1,327,152	1,078,980	248,172
Risk takers and other identified staff	6	644,746	582,160	62,586
Allocation of total remuneration of the employees of the AFM to the Fund				
Senior management	0.01	1,465	1,191	274
Risk takers and other identified staff	0.01	711	642	69

The total number of staff employed by the AFM was 154 as at 30 September 2025. The total remuneration paid to those staff was £11,730,432, of which £3,173,764 is attributable to the AFM.

The allocation of remuneration to the Fund is based on Assets Under Management (AUM) and the figures disclosed only include remuneration paid to individuals directly employed by the AFM's group. The way these disclosures are calculated may change in the future.


IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

DIRECTOR'S 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



Massimiliano Zorza
Director

Investment Fund Services Limited
23 April 2026

STATEMENT OF AUTHORISED FUND MANAGER'S RESPONSIBILITIES

The Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) requires the Authorised Fund Manager (AFM) to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Fund and of the net revenue and net capital gains on the property of the Fund for the year.

In preparing those financial statements the AFM is required to:

- comply with the disclosure requirements of the Statement of Recommended Practice relating to UK Authorised Funds issued in May 2014 and amended in June 2017;
- follow United Kingdom Generally Accepted Accounting Practice and applicable accounting standards;
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation.

The AFM is required to keep proper accounting records and to manage the Fund in accordance with the COLL rules, the Trust Deed and the Prospectus. The AFM is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The AFM is responsible for ensuring that, to the best of its knowledge and belief, there is no relevant audit information of which the auditor is unaware. It is the responsibility of the AFM to take all necessary steps to familiarise itself with any relevant audit information and to establish that the auditor is aware of that information.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the IFSL Marlborough Global High Yield Bond Fund ("the Trust") for the Period Ended 31 December 2025

The Depositary in its capacity as Trustee of IFSL Marlborough Global High Yield Bond Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Trust and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Trust in accordance with the Regulations.

The Depositary must ensure that:

- the Trust's cash flows are properly monitored and that cash of the Trust is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Trust are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Trust's assets is remitted to the Trust within the usual time limits;
- the Trust's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Trust is managed in accordance with the Regulations and the Scheme documents of the Trust in relation to the investment and borrowing powers applicable to the Trust.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Depositary of the Trust, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Trust, acting through the AFM:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Trust's units and the application of the Trust's income in accordance with the Regulations and the Scheme documents of the Trust; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the Trust in accordance with the Regulations and the Scheme documents of the Trust.

HSBC Bank plc
23 April 2026

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

Opinion

We have audited the financial statements of IFSL Marlborough Global High Yield Bond Fund ("the Fund") for the year ended 31 December 2025, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund, which include a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 31 December 2025 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC") Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Authorised Fund Manager's (the "AFM") use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the AFM with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The AFM is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority ("the FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA and the Trust Deed;
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the AFM's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the AFM

As explained more fully in the Statement of Authorised Fund Manager's Responsibilities set out on page 7, the AFM is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the AFM determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the AFM is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the AFM either intends to wind up or terminate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), the Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the AFM and the Fund's administrator and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's opportunity to influence revenue and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of journal entries, with a particular focus on manually posted entries and those journals reflecting large and unusual transactions. We also reviewed the reporting to the AFM with respect to the application of the documented policies and procedures and reviewed the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Fund's unitholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Fund's unitholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh

23 April 2026

Notes:

1. The maintenance and integrity of the Investment Fund Services Limited website is the responsibility of the AFM; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

COMPARATIVE TABLE

A Income units

Change in net assets per unit	Year to 31.12.2025 pence	Year to 31.12.2024 pence	Year to 31.12.2023 pence
Opening net asset value per unit	66.94	65.93	60.64
Return before operating charges*	5.11	5.49	9.47
Operating charges	(0.99)	(0.96)	(0.97)
Return after operating charges*	4.12	4.53	8.50
Distributions on income units	(3.62)	(3.52)	(3.21)
Closing net asset value per unit	67.44	66.94	65.93

* after direct transaction costs of:

- - -

Performance

Return after charges ^A	6.15%	6.87%	14.02%
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Other information

Closing net asset value (£)	194,414	2,202,607	3,174,065
Closing number of units	288,285	3,290,473	4,814,630
Operating charges	1.47%	1.43%	1.54%
Direct transaction costs	0.00%	0.00%	0.00%

Prices (pence per unit)

Highest unit price	69.09	68.19	67.13
Lowest unit price	64.90	65.39	61.09

P Income units

Change in net assets per unit	Year to 31.12.2025 pence	Year to 31.12.2024 pence	Year to 31.12.2023 pence
Opening net asset value per unit	70.04	68.72	62.96
Return before operating charges*	5.39	5.74	9.87
Operating charges	(0.51)	(0.48)	(0.52)
Return after operating charges*	4.88	5.26	9.35
Distributions on income units	(4.20)	(3.94)	(3.59)
Closing net asset value per unit	70.72	70.04	68.72

* after direct transaction costs of:

- - -

Performance

Return after charges ^A	6.97%	7.65%	14.85%
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Other information

Closing net asset value (£)	16,237,554	19,655,210	21,318,003
Closing number of units	22,959,467	28,061,270	31,021,261
Operating charges	0.72%	0.68%	0.79%
Direct transaction costs	0.00%	0.00%	0.00%

Prices (pence per unit)

Highest unit price	72.54	71.38	70.03
Lowest unit price	67.98	68.24	63.43

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

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

COMPARATIVE TABLE

P Accumulation units

Change in net assets per unit	Year to 31.12.2025 pence	Period to 31.12.2024^B pence
Opening net asset value per unit	71.03	71.33
Return before operating charges*	3.75	(0.28)
Operating charges	(0.52)	(0.02)
Return after operating charges*	3.23	(0.30)
Distributions on accumulation units	(3.54)	(0.18)
Retained distributions on accumulation units	3.54	0.18
Closing net asset value per unit	74.26	71.03

* after direct transaction costs of:

- -

Performance

Return after charges^A 4.55% (0.42)%

Other information

Closing net asset value (£)	1,544,376	14,937
Closing number of units	2,079,671	21,029
Operating charges	0.72%	0.68% ^C
Direct transaction costs	0.00%	0.00%

Prices (pence per unit)

Highest unit price	74.55	71.37
Lowest unit price	68.25	71.08

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

^B This unit class launched on 5 December 2024 with units initially issued on 12 December 2024 at 71.33 pence.

^C This figure has been annualised.

Operating charges are normally the same as the Ongoing Charges Figures (OCFs) and are the total expenses paid by each unit class in the year. Where it is considered unsuitable to use the total expenses paid by each unit class in the year to calculate the OCF because of material changes to the Fund's charges an estimate will be calculated instead. The OCFs disclosed in the Key Investor Information Document (KIID) (available on IFSL's website, www.ifslfunds.com) give an estimate of future costs.

Direct transaction costs are the total charges for the year, 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 year and the average units in issue for the pence per unit figures.

SYNTHETIC RISK AND REWARD INDICATOR (all unit classes)

Lower risk Higher risk

←-----→

Typically lower rewards Typically higher rewards

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 4 because its investments have experienced moderate volatility in the past. During the year the synthetic risk and reward indicator has remained unchanged.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

PORTFOLIO STATEMENT

as at 31 December 2025

Holding or nominal value	Bid value £	Percentage of total net assets %
STERLING (31 December 2024 - 19.88%)		
100,000 AA Bond Co 5.5% 31.07.32	99,541	0.55
200,000 Biffa Group Holdings 7.375% 15.06.31	201,838	1.12
100,000 Boots Group Finco 7.375% 31.08.32	103,387	0.58
100,000 CD&R Firefly Bidco 8.625% 30.04.29	104,750	0.58
100,000 Flutter Treasury 6.125% 04.06.31	100,835	0.56
100,000 GTCR W-2 Merger Sub 8.5% 15.01.31	106,875	0.59
100,000 Heathrow Finance 6.625% 01.03.31	100,641	0.56
100,000 Punch Finance 7.875% 30.12.30	101,932	0.57
100,000 RAC Bond 5.25% 04.11.27	99,250	0.55
100,000 Virgin Media Vendor Financing Notes III 4.875% 15.07.28	97,250	0.54
100,000 VMED O2 UK Financing I 4% 31.01.29	94,750	0.53
200,000 Vodafone Group 8% 30.08.86	218,000	1.21
Total Sterling	1,429,049	7.94
AUSTRALIAN DOLLAR (31 December 2024 - Nil)		
150,000 Aurizon Holdings 6.3% 16.05.55	74,476	0.41
100,000 NSW Electricity Networks Finance Pty 6.296% 20.11.55	48,820	0.27
150,000 Pacific National Finance Pty 7.75% 11.12.54	75,278	0.42
Total Australian Dollar	198,574	1.10
EURO (31 December 2024 - 72.51%)		
100,000 Aegis Lux 1A 5.625% 29.10.31	88,291	0.49
77,010 Altice France 5.375% 15.03.32	62,997	0.35
77,010 Altice France 5.625% 15.06.32	63,815	0.35
100,000 Amber Finco 6.625% 15.07.29	91,563	0.51
125,000 APCOA Group 6% 15.04.31	110,739	0.62
174,000 Banijay Entertainment 7% 01.05.29	157,421	0.88
100,000 BCP V Modular Services Finance II 4.75% 30.11.28	82,465	0.46
100,000 British American Tobacco 4.75% Perp	88,180	0.49
100,000 Dolcetto Holdco 5.625% 14.07.32	88,541	0.49
100,000 DVI Deutsche Vermögens 4.875% 21.08.30	88,926	0.49
200,000 EDP 4.625% 16.09.54	178,761	0.99
100,000 eircom Finance 5% 30.04.31	88,640	0.49
100,000 Ephios Subco 3 7.875% 31.01.31	92,732	0.52
100,000 Eurofins Scientific 5.75% Perp	91,454	0.51
100,000 European Entertainment Intressenter FRN 29.09.30	83,423	0.46
152,000 Flora Food Management 6.875% 02.07.29	132,040	0.73
100,000 Grifols 7.5% 01.05.30	91,582	0.51
100,000 Gruppo San Donato 6.5% 31.10.31	88,700	0.49
100,000 Holding D'Infrastructures des Metiers de L'Environnement 4.875% 24.10.29	90,387	0.50
157,930 IHO Verwaltungs 8.75% 15.05.28	143,807	0.80
194,000 ION Platform Finance 7.875% 01.05.29	171,704	0.96
100,000 Itelyum Regeneration 5.75% 15.04.30	86,981	0.48
100,000 La Doria FRN 30.12.30	88,033	0.49
104,766 LHMC Finco 2 8.625% 15.05.30	95,012	0.53
100,000 Lottomatica Group 4.875% 31.01.31	89,817	0.50
100,000 Luna 10.5% 01.07.32	90,735	0.50
100,000 Luna 2.5 5.5% 01.07.32	88,561	0.49
100,000 Mehilainen Yhtiot 5.125% 30.06.32	88,332	0.49
169,000 Monitchem Holdco 3 8.75% 01.05.28	144,044	0.80
133,000 Neopharmed Gentili 7.125% 08.04.30	120,453	0.67
100,000 Nidda Healthcare Holding FRN 15.10.32	87,321	0.49
100,000 Opal Bidco 5.5% 31.03.32	90,061	0.50
100,000 Petróleus Mexicanos 4.75% 26.02.29	87,702	0.49
100,000 Séché Environnement 5.87% Perp	87,525	0.49
100,000 Sofima Holding FRN 15.01.28	87,198	0.49
102,000 Stonegate Pub Company Financing 2019 FRN 31.07.29	86,642	0.48
100,000 Summer (BC) Holdco B 5.875% 15.02.30	80,340	0.45
100,000 TDC Net Holding 5% 09.08.32	90,156	0.50

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

PORTFOLIO STATEMENT

as at 31 December 2025

Holding or nominal value	Bid value £	Percentage of total net assets %
EURO (continued)		
100,000 TeamSystem FRN 01.07.32	87,633	0.49
100,000 Veolia Environnement 4.322% Perp	86,761	0.48
188,000 VodafoneZiggo Financing 2.875% 15.01.29	154,699	0.86
200,000 Volkswagen International Finance 7.875% Perp	201,024	1.12
346 Worldline 0% 30.07.26	29,400	0.16
100,000 Ziggo Bond Co 6.125% 15.11.32	82,068	0.46
Total Euro	4,406,666	24.50
US DOLLAR (31 December 2024 - 5.26%)		
148,000 1011778 BC / New Red Finance 4% 15.10.30	104,355	0.58
206,000 1261229 BC 10% 15.04.32	158,456	0.88
93,000 AAdvantage Loyalty IP / American Airlines 5.75% 20.04.29	70,240	0.39
73,000 Acrisure 6% 01.08.29	53,575	0.30
70,000 Acrisure 7.5% 06.11.30	53,974	0.30
87,000 ADT 5.875% 15.10.33	65,547	0.36
130,000 Adtalem Global Education 5.5% 01.03.28	96,615	0.54
62,000 Albion Financing 1 7% 21.05.30	48,151	0.27
176,000 Alliant Energy 5.75% 01.04.56	130,148	0.72
69,000 Alliant Holdings Intermediate 7% 15.01.31	53,267	0.30
41,000 Alliant Holdings Intermediate 7.375% 01.10.32	31,537	0.18
67,000 Allied Universal Holdco 7.875% 15.02.31	52,159	0.29
66,000 Alpha Generation 6.75% 15.10.32	50,645	0.28
160,000 Altice Financing 9.625% 15.07.27	91,561	0.51
65,000 Altice France 9.5% 01.11.29	49,394	0.27
38,000 AMC Networks 10.25% 15.01.29	29,512	0.16
175,000 American Electric Power Co 6.05% 15.03.56	127,782	0.71
97,000 AmeriGas Partners 9.375% 01.06.28	74,432	0.41
82,000 Amneal Pharmaceuticals 6.875% 01.08.32	64,141	0.36
36,000 Antero Midstream Partners 5.75% 01.07.34	26,989	0.15
74,000 Arches Buyer 6.125% 01.12.28	53,484	0.30
48,000 Archrock Partners Finance 6.625% 01.09.32	36,654	0.20
69,000 Arcos Dorados 6.375% 29.01.32	54,036	0.30
205,000 Ardagh Group 9.5% 01.12.30	164,733	0.92
67,000 Ardonagh Group Finance 8.875% 15.02.32	51,412	0.29
46,000 Asbury Automotive Group 5% 15.02.32	33,076	0.18
25,000 Aston Martin Capital Holdings 10% 31.03.29	17,047	0.09
185,000 Asurion/ Asurion Co 8% 31.12.32	142,646	0.79
94,000 BCPE Flavor Debt/Issuer 9.5% 01.07.32	66,891	0.37
35,000 Brightstar Lottery 5.75% 15.01.33	25,914	0.14
139,000 Caesars Entertainment 6.5% 15.02.32	105,757	0.59
102,000 Carriage Services 4.25% 15.05.29	72,773	0.40
416,000 CCO Holdings 5.375% 01.06.29	305,689	1.70
170,000 CenterPoint Energy 5.95% 01.04.56	127,290	0.71
78,000 Central Garden & Pet Co 4.125% 30.04.31	54,491	0.30
72,000 Churchill Downs 5.75% 01.04.30	53,844	0.30
115,000 Citigroup 6.625% Perp	85,894	0.48
95,000 Clearwater Paper 4.75% 15.08.28	66,014	0.37
48,000 Cleveland-Cliffs 7.375% 01.05.33	37,189	0.21
47,000 Cloud Software Group 8.25% 30.06.32	36,458	0.20
51,000 Cloud Software Group 9% 30.09.29	39,466	0.22
30,000 Cogent Communications Group 6.5% 01.07.32	20,763	0.12
138,000 Cogent Communications Group 7% 15.06.27	102,304	0.57
39,000 Commscope 9.5% 15.12.31	29,166	0.16
56,000 Community Health Systems 10.875% 15.01.32	44,584	0.25
75,000 CQP Holdco 5.5% 15.06.31	55,043	0.31
221,000 Crocs 4.125% 15.08.31	151,721	0.84
73,000 CSC Holdings 11.75% 31.01.29	40,418	0.22
350,000 CSC Holdings 6.5% 01.02.29	171,677	0.96
39,000 Cushman & Wakefield US Borrower 8.875% 01.09.31	30,796	0.17
141,000 CVS Health 6.75% 10.12.54	108,810	0.61

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

PORTFOLIO STATEMENT

as at 31 December 2025

Holding or nominal value	Bid value £	Percentage of total net assets %
US DOLLAR (continued)		
42,000 Directv Financing 10% 15.02.31	31,916	0.18
115,000 DISH DBS 5.125% 01.06.29	75,638	0.42
110,000 Dish Network 11.75% 15.11.27	84,817	0.47
135,000 Dominion Energy 6.2% 15.02.56	100,707	0.56
24,000 Echostar 10.75% 30.11.29	19,642	0.11
72,000 Edgewell Personal Care Co 4.125% 01.04.29	50,968	0.28
37,000 EG Global Finance 12% 30.11.28	29,936	0.17
200,000 Électricité de France 9.125% Perp	172,802	0.96
135,000 Energizer Holdings 6% 15.09.33	96,318	0.54
70,000 Energy Transfer 7.125% Perp	53,324	0.30
40,000 Entergy 5.875% 15.06.56	29,765	0.17
41,000 EquipmentShare.com 8% 15.03.33	31,994	0.18
26,000 EZCORP 7.375% 01.04.32	20,507	0.11
100,000 Farmers Exchange Capital II 6.151% 01.11.53	73,169	0.41
30,000 Ferrellgas 9.25% 15.01.31	22,742	0.13
69,000 Ferrellgas Partners 5.875% 01.04.29	48,973	0.27
137,000 Firstcash 6.875% 01.03.32	105,635	0.59
88,000 Genmab 6.25% 15.12.32	66,872	0.37
95,000 Getty Images Holdings 10.5% 15.11.30	71,221	0.40
94,000 Global Partners / GLP Finance 8.25% 15.01.32	73,353	0.41
29,000 Global partners 7.125% 01.07.33	21,876	0.12
71,000 Graham Packaging Co 7.125% 15.08.28	52,635	0.29
104,000 Grand Canyon University 5.125% 01.10.28	76,594	0.43
139,000 Graphic Packaging International 6.375% 15.07.32	105,240	0.59
33,000 Gray Media 10.5% 15.07.29	26,303	0.15
63,000 Great Canadian Gaming 8.75% 15.11.29	47,055	0.26
42,000 Herc Holdings 7.25% 15.06.33	33,165	0.18
82,000 Hilcorp Energy I / Hilcorp Finance Co 7.25% 15.02.35	57,590	0.32
81,000 HUB International 7.375% 31.01.32	62,907	0.35
128,000 Hudson Pacific Properties 3.95% 01.11.27	90,372	0.50
100,000 Icahn Enterprises 10% 15.11.29	73,855	0.41
42,000 Insight Enterprises 6.625% 15.05.32	32,072	0.18
94,000 IQVIA Holdings 6.25% 01.06.32	72,829	0.41
69,000 Iron Mountain 6.25% 15.01.33	51,665	0.29
95,000 ITT Holdings 6.5% 01.08.29	67,779	0.38
130,000 Jane Street Group 6.125% 01.11.32	98,064	0.55
139,000 Jane Street Group 6.75% 01.05.33	107,823	0.60
68,000 JetBlue Airways 9.875% 20.09.31	50,916	0.28
141,000 Kedrion 6.5% 01.09.29	102,432	0.57
50,000 Kodiak Gas Services 6.75% 01.10.35	37,996	0.21
66,000 LCM Investments Holdings II 8.25% 01.08.31	51,626	0.29
68,000 Level 3 Financing 6.875% 30.06.33	51,611	0.29
135,000 Light and Wonder International 6.25% 01.10.33	101,083	0.56
127,000 Lithia Motors 4.375% 15.01.31	90,374	0.50
87,000 Magic Mergesco 5.25% 01.05.28	62,071	0.35
28,000 Matador Resources Co 6.5% 15.04.32	20,991	0.12
43,000 McAfee 7.375% 15.02.30	28,002	0.16
67,000 Melco Resorts Finance 7.625% 17.04.32	52,283	0.29
142,000 MGM Resorts International 6.5% 15.04.32	108,567	0.60
41,000 Midcontinent Communications 8% 15.08.32	31,080	0.17
149,000 Murphy Oil USA 3.75% 15.02.31	103,399	0.58
70,000 Neptune BidCo US 10.375% 15.05.31	53,129	0.30
80,000 Newell Brands 6.625% 15.05.32	57,226	0.32
28,000 Newell Brands 7% 01.04.46	17,064	0.10
87,000 NGL Energy Operating 8.375% 15.02.32	66,921	0.37
130,000 NiSource 5.75% 15.07.56	97,219	0.54
65,000 Ontario Gaming GTA 8% 01.08.30	45,832	0.25
150,000 Open Text Holdings 4.125% 01.12.31	103,396	0.58
100,000 Option Care Health 4.375% 31.10.29	72,368	0.40
40,000 Panther Escrow Issuer 7.125% 01.06.31	30,694	0.17

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

PORTFOLIO STATEMENT

as at 31 December 2025

Holding or nominal value	Bid value £	Percentage of total net assets %
US DOLLAR (continued)		
151,000 Papa John's International 3.875% 15.09.29	106,611	0.59
43,000 Paradigm Parent/Co Issuer 8.75% 17.04.32	29,001	0.16
72,000 Perrigo Finance Unlimited 6.125% 30.09.32	52,155	0.29
155,000 Post Holdings 4.5% 15.09.31	108,715	0.61
105,000 Prestige Brands 3.75% 01.04.31	72,768	0.41
40,000 Quikrete Holdings 6.75% 01.03.33	30,954	0.17
108,000 QXO Building Products 6.75% 30.04.32	83,877	0.47
42,000 RHP Hotel Properties 6.5% 15.06.33	32,307	0.18
30,000 Ringcentral 8.5% 15.08.30	23,633	0.13
72,000 Rivers Enterprise Borrower / Rivers Enterprise Finance 6.625% 01.02.33	54,379	0.30
95,000 Rivers Enterprise Lender 6.25% 15.10.30	71,839	0.40
65,000 Rockies Express Pipeline 6.75% 15.03.33	50,844	0.28
37,000 Sabre Financial Borrower 11.125% 15.06.29	27,911	0.16
23,000 Sabre GBLB 10.75% 15.03.30	14,038	0.08
19,000 Sabre Global 10.75% 15.11.29	11,967	0.07
95,000 Science Applications International 5.875% 01.11.33	71,221	0.40
74,000 SCIH Salt Holdings 4.875% 01.05.28	54,859	0.31
40,000 Scripps Escrow II 3.875% 15.01.29	27,312	0.15
25,000 Sealed Air 7.25% 15.02.31	19,253	0.11
69,000 Sensata Technologies 6.625% 15.07.32	53,524	0.30
40,000 Sinclair Television Group 4.375% 31.12.32	23,411	0.13
42,000 Sinclair Television Group 8.125% 15.02.33	32,541	0.18
113,000 SIRIUS Xm Radio 3.875% 01.09.31	77,262	0.43
51,000 Snap 6.875% 01.03.33	39,182	0.22
60,000 Snap 6.875% 15.03.34	45,706	0.25
48,000 Sotheby's / Bidfair Holdings 5.875% 01.06.29	33,354	0.19
105,000 Spectrum Brands 3.875% 15.03.31	63,696	0.35
41,000 Standard Building Solutions 6.5% 15.08.32	31,423	0.17
46,000 Staples 10.75% 01.09.29	33,759	0.19
69,000 Star Parent 9% 01.10.30	54,549	0.30
125,000 Suburban Propane Partners 6.5% 15.12.35	92,667	0.52
135,000 Sunoco 5.875% 15.03.34	100,205	0.56
180,000 Sunoco 7.875% Perp	136,784	0.76
42,000 Tallgrass Energy Partners 7.375% 15.02.29	32,072	0.18
70,000 Tenet Healthcare 5.5% 15.11.32	52,609	0.29
135,000 Teva Pharmaceutical Finance Netherlands III 6% 01.12.32	105,096	0.58
67,000 The Brink's Company 6.75% 15.06.32	51,723	0.29
144,000 Transdigm 6.375% 31.05.33	109,695	0.61
37,000 Transmontaigne Partners 8.5% 15.06.30	27,704	0.15
30,000 Transocean 8.75% 15.02.30	23,215	0.13
55,857 Transocean Titan Financing 8.375% 01.02.28	42,395	0.24
102,000 Upbound Group 6.375% 15.02.29	74,289	0.41
70,000 USA Compression Partners 6.25% 01.10.33	52,413	0.29
105,000 Valvoline bond 3.625% 15.06.31	71,402	0.40
105,000 Venture Global LNG 9% Perp	61,160	0.34
130,000 Venture Global LNG 9.875% 01.02.32	99,392	0.55
80,000 Venture Global Plaquemines LNG 6.75% 15.01.36	60,793	0.34
94,000 Venture Global Plaquemines LNG 7.75% 01.05.35	76,235	0.42
64,000 Veritiv Operating Co 10.5% 30.11.30	51,013	0.28
50,000 Vital Energy 7.875% 15.04.32	36,602	0.20
76,000 Voyager Parent 9.25% 01.07.32	59,871	0.33
130,000 VT Topco 8.5% 15.08.30	100,842	0.56
190,000 Warnermedia Holdings 5.05% 15.03.42	99,550	0.55
68,000 Waste Pro USA 7% 01.02.33	51,864	0.29
95,000 WBI Operating 6.5% 15.10.33	70,074	0.39
100,000 WEC Energy Group 5.625% 15.05.56	74,876	0.42
68,000 Windstream Services 8.25% 01.10.31	52,874	0.29
49,000 WR Grace Holdings 5.625% 15.08.29	34,459	0.19
42,000 WR Grace Holdings 7.375% 01.03.31	31,682	0.18

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

PORTFOLIO STATEMENT

as at 31 December 2025

Holding or nominal value	Bid value £	Percentage of total net assets %
US DOLLAR (continued)		
72,000 Wynn Resorts Finance 6.25% 15.03.33	54,580	0.30
90,000 Xerox 10.25% 15.10.30	62,790	0.35
150,000 ZF North America Capital 7.5% 24.03.31	112,315	0.63
47,000 ZipRecruiter 5% 15.01.30	27,638	0.15
145,000 ZoomInfo Technologies 3.875% 01.02.29	101,701	0.57
Total US Dollar	11,317,554	62.99
UNLISTED/UNQUOTED (31 December 2024 - 0.00%)		
1,034 Altice France ^A	12,751	0.07
353,137 Hellas Telecommunications Luxembourg III 8.5% 15.10.13 ^B	-	-
Total Unlisted/Unquoted	12,751	0.07
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Portfolio of stock investments	17,364,594	96.60
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Counterparty	Foreign Currency Hedges (31 December 2024 - (0.44)%)	
Goldman Sachs	Sell AUD 409,823 for USD 270,267 - 09 January 2026	(2,773) (0.02)
Goldman Sachs	Sell EUR 693,090 for USD 811,306 - 09 January 2026	(2,361) (0.01)
Goldman Sachs	Sell EUR 10,876,298 for USD 12,631,564 - 16 January 2026	(114,421) (0.64)
Goldman Sachs	Sell GBP 401,164 for USD 529,456 - 09 January 2026	(7,670) (0.04)
Goldman Sachs	Sell GBP 958,077 for USD 1,252,684 - 16 January 2026	(27,060) (0.15)
Goldman Sachs	Sell USD 1,995,399 for GBP 1,488,536 - 09 January 2026	5,547 0.03
Goldman Sachs	Sell USD 7,372,608 for EUR 6,263,461 - 09 January 2026	(9,000) (0.05)
Goldman Sachs	Sell USD 22,938,267 for GBP 17,300,000 - 16 January 2026	251,876 1.40
Net value of all derivative positions		94,138 0.52
<hr/>		
Portfolio of investments (including derivative positions)^C		17,458,732 97.12
Net other assets (excluding derivative positions)		517,612 2.88
Total net assets		17,976,344 100.00

^A This holding is unlisted and are being valued using the latest information received.

^B Hellas Telecom is considered to be valued at nil by the fund manager as the bond is in default.

^C Net of investment liabilities.

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

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

STATEMENT OF TOTAL RETURN

for the year ended 31 December 2025

	Notes	31 December 2025		31 December 2024	
		£	£	£	£
Income:					
Net capital gains	4		214,926		512,366
Revenue	6	1,328,976		1,414,378	
Expenses	7	(162,441)		(179,107)	
Net revenue before taxation		<u>1,166,535</u>		<u>1,235,271</u>	
Taxation	8	(481)		-	
Net revenue after taxation			<u>1,166,054</u>		<u>1,235,271</u>
Total return before distributions			1,380,980		1,747,637
Distributions	9		(1,196,622)		(1,314,671)
Change in net assets attributable to unitholders from investment activities			<u>184,358</u>		<u>432,966</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the year ended 31 December 2025

	31 December 2025		31 December 2024	
	£	£	£	£
Opening net assets attributable to unitholders		21,872,754		24,492,068
Amounts receivable on issue of units	1,960,368		2,111,425	
Amounts payable on cancellation of units	(6,143,757)		(5,165,860)	
Amounts receivable on unit class conversions	<u>16,423</u>		<u>74</u>	
		(4,166,966)		(3,054,361)
Dilution adjustment		10,210		2,042
Change in net assets attributable to unitholders from investment activities		184,358		432,966
Retained distribution on accumulation units		75,988		39
Closing net assets attributable to unitholders		<u>17,976,344</u>		<u>21,872,754</u>

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

BALANCE SHEET

as at 31 December 2025

	Notes	31 December 2025 £	31 December 2024 £
Assets:			
Fixed Assets:			
Investment assets	17	17,666,107	21,361,500
Current Assets:			
Debtors	10	329,965	379,416
Cash and cash equivalents	12	572,745	1,650,142
Total assets		<u>18,568,817</u>	<u>23,391,058</u>
Liabilities:			
Investment liabilities	17	207,375	99,814
Creditors:			
Bank overdrafts	12	-	873,488
Distribution payable		233,951	316,360
Other creditors	11	151,147	228,642
Total liabilities		<u>592,473</u>	<u>1,518,304</u>
Net assets attributable to unitholders		<u><u>17,976,344</u></u>	<u><u>21,872,754</u></u>

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in compliance with Financial Reporting Standard 102 (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 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 financial statements have been prepared on the historical cost convention, modified to include the revaluation of investments and certain financial instruments at fair value.

There are no material events that have been identified that may cast significant doubt about the Fund's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The Authorised Fund Manager (AFM) believes that the Fund has adequate resources to continue in operational existence for the foreseeable future and, they continue to adopt the going concern basis in preparing the financial statements.

Revenue

Interest on debt securities is recognised on an accruals basis. Accrued interest purchased and sold on debt securities is excluded from the capital cost of these securities and is treated as revenue. Interest earned from debt securities is accounted for on an effective yield basis. Effective yield is where the interest arising on the security that is purchased at a discount or premium to the maturity value is amortised and recognised at a consistent rate over the life of the security.

Bank interest is accounted for on an accruals basis.

Allocation of revenue

Revenue, attributable after expenses to multiple unit classes, with the exception of the AFM's periodic charge, which is directly attributable to individual unit classes, is allocated to unit classes pro-rata to the value of the net assets of the relevant unit class on the day that the revenue is incurred.

Expenses

All expenses, other than those relating to purchase and sale of investments, are charged against revenue on an accruals basis. Half of the manager's periodic charge is treated as a capital expense. This may constrain capital growth.

AFM rebates

The AFM had partially rebated expenses in relation to the AFM's periodic charge. However, on 1 August 2025 the AFM's periodic charge was reduced from 1.50% to 1.35% for A class units and from 0.75% to 0.60% for P class units, and the AFM rebates were removed.

Valuation

The valuation point was 12:00 on 31 December 2025 being the last valuation point of the accounting year.

Listed investments are valued at fair value which is the bid price.

Unlisted, unapproved, illiquid or suspended securities are valued at the AFM's best estimate of the amount that would be received from the immediate transfer at arm's length in a manner designed to show fair value. This modelling takes into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance, maturity of the company and other relevant factors.

Where applicable, investment valuations exclude any element of accrued revenue.

Taxation

Corporation tax has been provided for at 20% on taxable income less expenses. Deferred taxation is provided on a full provision basis on timing differences arising from the different treatment of items for accounting and tax purposes. Potential future liabilities and assets are recognised where the transactions, or events giving rise to them, occurred before the balance sheet date.

Exchange rates

Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12:00 on 31 December 2025 being the last valuation point of the accounting year. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

2 DISTRIBUTION POLICIES

The distribution policy of the Fund is to distribute all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on non-derivative instruments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.

During the year, the Fund was more than 60% invested in qualifying investments (as defined by SI 2006/964, Reg. 20) and therefore qualified as a bond fund. The Fund paid interest distributions.

It should be noted that the 60% test must be passed at all times during a distribution period if a fund is to qualify as a bond fund. Because the 60% test is conducted on a distribution period basis, it is possible for a fund to be a bond fund for part of its accounting period and an equity fund for the remainder. In this case, the interim and final distributions will be taken separately and will receive either dividend or interest treatment as appropriate.

Equalisation

Equalisation applies only to units purchased during the distribution period. It is the average amount of income included in the purchase price of all group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to UK income tax but must be deducted from the cost of the units for UK capital gains tax purposes.

Stock dividends

The ordinary element of stock received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue of the Fund. In the case of an enhanced stock dividend, the value of the enhancement is treated as capital and does not form part of any distribution.

3 RISK MANAGEMENT POLICIES

In pursuing its investment objective, the Fund holds a number of financial instruments. The Fund's financial instruments comprise securities held in accordance with the investment objectives and policies together with cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued income.

The main risks arising from the Fund's financial instruments and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

The Fund is managed according to COLL 5, 'Investment and Borrowing Powers' which helps achieve the statutory objective of protecting consumers by laying down the minimum standards for the investments that may be held by an authorised fund. In particular: (a) the proportion of transferable securities and derivatives that may be held by the authorised fund is restricted if those transferable securities and derivatives are not listed on an eligible market. The intention of this is to restrict the transferable securities and derivatives that cannot be accurately valued and readily disposed of; and (b) the authorised funds are required to comply with a number of investment rules that require the spreading of risk.

Market price risk

Market price risk is the risk that the value of the Fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Fund holds. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to market price fluctuations which are monitored by the AFM in pursuance of the investment objective and policy as set out in the Prospectus.

Investment limits set out in the Trust Deed, Prospectus and in the rules contained in the Collective Investment Schemes Sourcebook mitigate the risk of excessive exposure to any particular security or issuer.

Foreign currency risk

The income and capital value of the Fund's investments can be affected by foreign currency translation movements as most of the Fund's assets and income may be denominated in currencies other than sterling which is the Fund's functional currency. It is however a part of the Fund's strategy to hedge a substantial part of its foreign currency exposure back to sterling.

The AFM has identified three principal areas where foreign currency risk could impact the Fund. These are, movements in exchange rates affecting the value of investments, short-term timing differences such as exposure to exchange rate movements during the period between when an investment purchase or sale is entered into and the date when settlement of the investment occurs, and finally movements in exchange rates affecting income received by the Fund. The Fund converts all receipts of income received in currency into sterling on the day of receipt.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

RISK MANAGEMENT POLICIES (continued)

Derivatives

A substantial proportion of the Fund is invested in bonds denominated in Euros. The Fund has the option when it is considered appropriate to hedge this foreign currency exposure by entering into forward foreign currency exchange contracts. This would reduce either the profits or losses which would otherwise arise on currency movements. In general the Fund does hedge a substantial part of its foreign currency exposure.

Credit and counterparty risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the AFM as an acceptable counterparty.

The Fund invests in fixed interest bonds, which are generally viewed as lower-risk investments than equities. However the solvency of organisations with whom the Fund invests cannot be guaranteed, and any difficulty may adversely affect the Fund's performance. Although bonds have a fixed coupon or interest payment, the Fund will be buying and selling bonds on a regular basis, and so the overall level of income will fluctuate.

Lower graded bonds may have a higher risk of the issuer failing to meet its income or capital repayments when due.

Interest rate risk

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates. The Fund's cash holdings are held in deposit accounts, whose rates are determined by the banks concerned on a daily basis.

The Fund invests in fixed and floating rate securities. The income of the Fund may be affected by changes to interest rates relevant to particular securities or as a result of the fund manager being unable to secure similar returns on the expiry of contracts or sale of securities. The value of fixed interest securities may be affected by interest rate movements or the expectation of such movements in the future.

Liquidity risk

The Fund's assets comprise mainly of readily realisable securities. The main liability of the Fund is the redemption of any units that investors wish to sell. Assets of the Fund may need to be sold if insufficient cash is available to finance such redemptions. The liquidity of the Fund's assets is regularly reviewed by the AFM.

4 NET CAPITAL GAINS

31 December 2025	31 December 2024
£	£

The net gains on investments during the year comprise:

Non-derivative securities gains/(losses)	608,695	(510,686)
(Losses)/gains on forward foreign exchange contracts	(187,320)	965,609
Other currency (losses)/gains	(204,914)	58,392
Transaction charges	(1,535)	(949)
Net capital gains	214,926	512,366

5 PURCHASES, SALES AND TRANSACTION COSTS

31 December 2025	31 December 2024
£	£

All purchases and sales are in debt securities.

Purchases excluding transaction costs	25,329,550	13,920,959
Total purchases transaction costs	-	-
Purchases including transaction costs	25,329,550	13,920,959
Sales excluding transaction costs	30,010,282	17,295,277
Total sales transaction costs	-	-
Sales net of transaction costs	30,010,282	17,295,277

Transaction handling charges

These are charges payable to the Custodian in respect of each transaction:	1,535	949
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Average portfolio dealing spread

This spread represents the difference between the values determined respectively by reference to the bid and offer prices of investments expressed as a percentage of the value determined by reference to the offer price.

Average portfolio dealing spread at the balance sheet date	0.76%	0.75%
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IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

6 REVENUE	31 December 2025	31 December 2024
	£	£
Interest on debt securities	1,299,671	1,393,770
Bank interest	29,305	20,608
Total revenue	<u>1,328,976</u>	<u>1,414,378</u>
7 EXPENSES	31 December 2025	31 December 2024
	£	£
Payable to the AFM or associate:		
AFM's periodic charge	138,595	196,332
Registration fees	4,938	3,595
KIID production costs	599	-
AFM's rebate	<u>(19,021)</u>	<u>(37,531)</u>
	<u>125,111</u>	<u>162,396</u>
Other expenses:		
Trustee's fees	4,751	5,631
Safe custody fees	1,078	1,689
Bank interest	19,958	-
Financial Conduct Authority fee	29	(5)
Benchmark fees	974	-
TCFD Fee	725	-
Audit fee	<u>9,815</u>	<u>9,396</u>
	<u>37,330</u>	<u>16,711</u>
Total expenses	<u>162,441</u>	<u>179,107</u>
8 TAXATION	31 December 2025	31 December 2024
	£	£
a Analysis of the tax charge for the year		
Overseas tax	481	-
Total tax charge for the year (see note 8(b))	<u>481</u>	<u>-</u>
b Factors affecting the tax charge for the year		
The taxation assessed for the year is lower (2024: lower) than the standard rate of corporation tax in the UK for a unit trust 20% (2024: 20%). The differences are explained below:		
Net revenue before taxation	<u>1,197,103</u>	<u>1,235,271</u>
UK corporation tax at 20% (2024: 20%)	239,421	247,054
Effects of:		
Interest distribution allowable for taxation	(239,421)	(247,054)
Overseas tax	481	-
Total tax charge for the year (see note 8(a))	<u>481</u>	<u>-</u>
c Provision for deferred taxation		
No provision for deferred tax has been made in the current period.		

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

9 DISTRIBUTIONS

	31 December 2025	31 December 2024
	£	£
The distributions take account of revenue received on the issue of units and revenue deducted on the cancellation of units, and comprise:		
First interim	285,310	330,819
Second interim	314,106	328,491
Third interim	304,757	314,881
Final	255,718	316,399
Add: Revenue deducted on cancellation of units	35,807	37,150
Deduct: Revenue received on issue of units	(15,498)	(13,143)
Equalisation on conversions	16,422	74
Distributions	<u>1,196,622</u>	<u>1,314,671</u>
Net revenue after taxation	1,166,054	1,235,271
Add: AFM's periodic charge to capital	38,641	98,166
Deduct: Tax effect of management fee rebate borne by capital	(8,073)	(18,766)
	<u>1,196,622</u>	<u>1,314,671</u>

10 DEBTORS

	31 December 2025	31 December 2024
	£	£
Amounts receivable for issue of units	5,557	83,383
Accrued income	282,944	296,033
AFM's rebate	725	-
Prepaid expenses	40,739	-
Total debtors	<u>329,965</u>	<u>379,416</u>

11 OTHER CREDITORS

	31 December 2025	31 December 2024
	£	£
Amounts payable for cancellation of units	125,994	-
Purchases awaiting settlement	-	200,000
AFM's periodic charge and other fees	10,510	12,964
Accrued expenses	14,643	15,678
Total other creditors	<u>151,147</u>	<u>228,642</u>

12 CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
	£	£
Cash and bank balances	572,745	1,650,142
Bank overdrafts	-	(873,488)
	<u>572,745</u>	<u>776,654</u>

13 RELATED PARTIES

The AFM is involved in all transactions in the units of the Fund, the aggregate values of which are set out in the statement of change in net assets attributable to unitholders and note 9. Amounts due from/to the AFM in respect of unit transactions at the year end are disclosed in notes 10 and 11, respectively. Amounts paid to the AFM in respect of the manager's periodic charge and other fees are disclosed in note 7. Amounts due (to)/from the AFM at the year end are £(130,322) (2024: £70,419).

In addition to the above, some units in the Fund are owned by directors of Investment Fund Services Limited or directors of UFC Fund Management plc, the ultimate parent company of Investment Fund Services Limited, as set out below:

Proportion of units owned by directors of Investment Fund Services Limited or UFC Fund Management plc	2.77%	2.09%
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Distributions were payable on the above holdings at the rates applicable to other unitholders.

14 UNIT CLASSES

The unit classes in issue for the Fund and the annual management charge for each unit class is as follows:

A Income	1.35%
P Income / Accumulation	0.60%

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

15 UNITHOLDERS' FUNDS RECONCILIATION

During the year the AFM has issued, cancelled and converted units from one unit class to another as set out below:

	A Income	P Income	P Accumulation
Opening units in issue at 1 January 2025	3,290,473	28,061,270	21,029
Units issued	1,363	2,454,522	325,103
Units cancelled	(3,003,551)	(5,321,360)	(526,647)
Units converted	-	(2,234,965)	2,260,186
Closing units in issue at 31 December 2025	<u>288,285</u>	<u>22,959,467</u>	<u>2,079,671</u>

16 RISK DISCLOSURES

Market price risk sensitivity

A five per cent increase in the market prices of the Fund's portfolio would have the effect of increasing the return and net assets by £868,230 (2024: ££1,067,931). A five per cent decrease would have an equal and opposite effect.

Foreign currency risk

At the year end date a portion of the net assets of the Fund were denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by exchange rate movements.

<u>Foreign currency exposure at 31 December 2025</u>	<u>Investments</u> £	<u>Net other assets</u> £	<u>Total</u> £
Australian dollar	(5,062)	3,873	(1,189)
Euro	(217,979)	82,307	(135,672)
US dollar	(1,176,571)	653,829	(522,742)
	<u>(1,399,612)</u>	<u>740,010</u>	<u>(659,602)</u>

<u>Foreign currency exposure at 31 December 2024</u>	<u>Investments</u> £	<u>Net other assets</u> £	<u>Total</u> £
Euro	(240,169)	229,828	(10,341)
US dollar	(16,058)	20,628	4,570
	<u>(256,227)</u>	<u>250,456</u>	<u>(5,771)</u>

Foreign currency risk sensitivity

A five per cent decrease in the value of sterling relative to the foreign currencies above would have the effect of decreasing the return and net assets by £32,980 (2024: £289). A five per cent increase would have an equal and opposite effect.

Derivatives risk

The underlying exposure to forward currency contracts at 31 December 2025 was a net unrealised gain/(loss) of £94,138 (2024: £(96,943)).

Interest rate risk

	31 December 2025	31 December 2024
	£	£

The interest rate risk profile of financial assets and liabilities consists of the following:

Financial assets fixed interest rate

Australian dollar	198,574	-
Sterling	1,429,049	4,343,877
Euro	4,406,667	15,867,299
US dollar	11,317,553	1,147,453
	<u>17,351,843</u>	<u>21,358,629</u>

Financial assets floating rate^A

Sterling	92,903	1,275,016
Euro	23,503	370,040
US dollar	456,339	5,086
	<u>572,745</u>	<u>1,650,142</u>

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

16 RISK DISCLOSURES (continued)

Interest rate risk (continued)

Financial assets non-interest bearing instruments

Australian dollar	3,873	-
Sterling	69,785	141,848
Euro	95,315	219,750
US dollar	475,256	20,689
	<u>644,229</u>	<u>382,287</u>

Financial liabilities floating rate^A

Sterling	-	(511,239)
Euro	-	(357,163)
US dollar	-	(5,086)
	<u>-</u>	<u>(873,488)</u>

Financial liabilities non-interest bearing instruments

Australian dollar	(1,605)	-
Sterling	(385,098)	(545,002)
Euro	(27,596)	(79,189)
US dollar	(178,174)	(20,625)
	<u>(592,473)</u>	<u>(644,816)</u>
	<u>17,976,344</u>	<u>21,872,754</u>

^A Floating rate assets and liabilities comprise bank balances and overdrafts, whose rates are determined by reference to SONIA or an international equivalent borrowing rate. Interest on investments is variable based on the distribution received from underlying investments.

Interest rate risk sensitivity on debt securities (based on the weighted modified duration)

Changes in interest rates or changes in expectations of future interest rates may result in an increase or decrease in the market value of the investments held. A half of one per cent increase in interest rates would have the effect of decreasing the return and net assets by £275,894 (2024: £294,749). A half of one per cent decrease would have an equal and opposite effect.

Debt security credit analysis

Portfolio split by investment grade

	31 December 2025	31 December 2024
	Bid value (£)	
Investments of investment grade	1,340,553	1,590,015
Investments below investment grade:	15,700,010	19,608,983
Unrated	324,031	159,631
Total of debt securities	<u>17,364,594</u>	<u>21,358,629</u>

Liquidity risk

	31 December 2025	31 December 2024
	£	£

The following table provides a maturity analysis of the Fund's financial liabilities:

On demand

Creditors	Bank overdrafts	-	873,488
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Within one year

Derivatives	Investment liabilities	207,375	99,814
Creditors	Distribution payable	233,951	316,360
	Other creditors	151,147	228,642
		<u>592,473</u>	<u>1,518,304</u>

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

17 FAIR VALUE HIERARCHY FOR INVESTMENTS

Basis of valuation	31 December 2025		31 December 2024	
	Assets (£)	Liabilities (£)	Assets (£)	Liabilities (£)
Level 1 - Quoted prices	-	-	-	-
Level 2 - Observable market data	17,653,356	207,375	21,361,500	99,814
Level 3 - Unobservable data*	12,751	-	-	-
	<u>17,666,107</u>	<u>207,375</u>	<u>21,361,500</u>	<u>99,814</u>

The intention of a fair value measurement is to estimate the price at which an asset or liability could be exchanged in the market conditions prevailing at the measurement date. The measurement assumes the exchange is an orderly transaction (that is, it is not a forced transaction, involuntary liquidation or distress sale) between knowledgeable, willing participants on an independent basis.

The purpose of the fair value hierarchy is to prioritise the inputs that should be used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices at which a transaction can be entered into and the lowest priority to unobservable inputs.

In accordance with FRS102 the Fund classifies fair value measurement under the following levels:

Level 1 - Unadjusted quoted price in an active market for an identical instrument;

Level 2 - Valuation techniques using observable inputs other than quoted prices within level 1; and

Level 3 - Valuation techniques using unobservable inputs.

* This includes Hellas Telecom, which is considered to be valued at nil by the fund manager as the bond is in default.

18 POST BALANCE SHEET EVENTS

Since 31 December 2025, the Net Asset Value per unit has changed as follows:

	Net Asset Value per unit (pence)		
	31 December 2025 ^A	21 April 2026	Movement (%)
A Income	68.55	67.72	(1.21)%
P Income	71.99	71.01	(1.36)%
P Accumulation	74.55	75.75	1.61%

^A These Net Asset Values differ from those in the Comparative Table as they are the quoted Net Asset Values.

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

DISTRIBUTION TABLE

First quarter distribution for the period from 1 January 2025 to 31 March 2025

Group 1: units purchased prior to 1 January 2025

Group 2: units purchased on or after 1 January 2025

		Gross revenue 31 March 2025 pence per unit	Equalisation 31 March 2025 pence per unit	Distribution paid 31 May 2025 pence per unit	Distribution paid 31 May 2024 pence per unit
A Income	Group 1	0.966044	-	0.966044	0.867956
	Group 2	0.355510	0.610534	0.966044	0.867956
P Income	Group 1	1.075944	-	1.075944	0.970656
	Group 2	0.497864	0.578080	1.075944	0.970656
P Accumulation	Group 1	0.338656	-	0.338656	N/a
	Group 2	0.244201	0.094455	0.338656	N/a

Second quarter distribution for the period from 1 April 2025 to 30 June 2025

Group 1: units purchased prior to 1 April 2025

Group 2: units purchased on or after 1 April 2025

		Gross revenue 30 June 2025 pence per unit	Equalisation 30 June 2025 pence per unit	Distribution paid 31 August 2025 pence per unit	Distribution paid 31 August 2024 pence per unit
A Income	Group 1	0.993070	-	0.993070	0.876407
	Group 2	0.514331	0.478739	0.993070	0.876407
P Income	Group 1	1.106676	-	1.106676	0.979709
	Group 2	0.466143	0.640533	1.106676	0.979709
P Accumulation	Group 1	1.110734	-	1.110734	N/a
	Group 2	0.118717	0.992017	1.110734	N/a

Third quarter distribution for the period from 1 July 2025 to 30 September 2025

Group 1: units purchased prior to 1 July 2025

Group 2: units purchased on or after 1 July 2025

		Gross revenue 30 September 2025 pence per unit	Equalisation 30 September 2025 pence per unit	Distribution paid 30 November 2025 pence per unit	Distribution paid 30 November 2024 pence per unit
A Income	Group 1	0.927490	-	0.927490	0.868159
	Group 2	0.316053	0.611437	0.927490	0.868159
P Income	Group 1	1.106896	-	1.106896	0.973289
	Group 2	0.554380	0.552516	1.106896	0.973289
P Accumulation	Group 1	1.128561	-	1.128561	N/a
	Group 2	1.128561	-	1.128561	N/a

IFSL MARLBOROUGH GLOBAL HIGH YIELD BOND FUND

DISTRIBUTION TABLE

Final distribution for the period from 1 October 2025 to 31 December 2025

Group 1: units purchased prior to 1 October 2025

Group 2: units purchased on or after 1 October 2025

		Gross revenue 31 December 2025 pence per unit	Equalisation 31 December 2025 pence per unit	Distribution paid 28 February 2026 pence per unit	Distribution paid 28 February 2025 pence per unit
A Income	Group 1	0.834339	-	0.834339	0.911672
	Group 2	0.284650	0.549689	0.834339	0.911672
P Income	Group 1	1.008499	-	1.008499	1.020487
	Group 2	0.537725	0.470774	1.008499	1.020487
P Accumulation	Group 1	1.046635	-	1.046635	0.184364
	Group 2	1.046635	-	1.046635	0.184364

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