

Investment Fund Services

IFSL Marlborough US Focus Fund

Interim Report and Unaudited
Financial Statements

for the six month period ended 10 March 2025

IFSL MARLBOROUGH US FOCUS FUND

CONTACT INFORMATION

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Authorised and regulated by the Financial Conduct Authority.

Directors of IFSL

Andrew Staley (Non-Executive)
Allan Hamer
Dom Clarke
Helen Redmond
Sally Helston
Simon Chalkley - appointed 27 November 2024
Katherine Damsell (Independent Non-Executive)
Sarah Peaston (Independent Non-Executive)

Investment Manager

Marlborough Investment Management Limited
PO Box 1852
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Sub-investment Manager

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Authorised and regulated by the Financial Conduct Authority.

Depository (in its capacity as Trustee)

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

Administrator and Registrar

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Auditor

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IFSL MARLBOROUGH US FOCUS FUND

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IFSL MARLBOROUGH US FOCUS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 10 March 2025

Performance to 10 March 2025

	<u>Six months</u>	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>
IFSL Marlborough US Focus Fund	3.11%	7.18%	33.56%	83.31%
IA North America sector	3.72%	7.30%	31.73%	94.47%

External Source of Economic Data: Morningstar (P Income - quoted to quoted, 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

For the six months ended March 10, 2025, the Fund returned 3.11% in British pounds. The performance comparator benchmark*, the Investment Association North America sector peer group, returned 3.72%.

Market review

The past six months have presented a mixed environment for U.S. equities. Early enthusiasm around artificial intelligence (AI), combined with optimism about accelerating economic growth and reduced regulatory pressures following Donald Trump's November election victory, propelled the S&P 500 Index to record highs in February. However, the market's positive momentum quickly reversed. Once in office, the Trump administration swiftly enacted a series of executive orders and threatened tariffs affecting both strategic allies and global rivals. Concurrently, investor confidence in the AI sector began to falter, disrupted by unexpected breakthroughs from a lesser-known Chinese firm. The market's unease deepened as leading companies, notably Microsoft, began signaling caution about the substantial spending necessary to support future AI-driven growth.

AI's influence extends far beyond the technology sector, impacting industrial equipment manufacturers, utility providers, and data center operators. As lofty expectations have moderated, several areas of the market have faced headwinds. Against this backdrop, there has been a broadening out of opportunity in the US market where previously only a handful of companies had dominated investor attention.

Fund performance and activity

Over this volatile period, the Fund trailed the S&P 500 by approximately 40 basis points, reflecting two distinct phases. During the initial phase of market optimism, the Fund lagged behind. However, as investor expectations became less positive, the Fund regained ground, delivering outperformance. Significant positive contributions came from holdings such as LandBridge, O'Reilly, and CME Group. Conversely, Crown Castle, Danaher, and CDW Corp detracted the most from performance.

Recent portfolio additions include LandBridge, Morningstar, VeriSign, MSCI, HEICO, and CRH. Furthermore, we strategically increased positions in Copart and Equifax, taking advantage of prices falling in the market volatility.

Outlook and Fund strategy

Looking ahead into early April, uncertainty continues to overshadow market clarity. Investors remain cautious about whether AI-related investments can sustainably generate returns that justify their significant upfront costs. Additionally, concerns persist regarding the Trump administration's tariff policies and their potential to disrupt global trade patterns, potentially tipping the economy into recession.

Attempting to anticipate how the economy will adapt and change is difficult in the best of times but has taken on a new level of difficulty given the unorthodox approach of the current administration. Instead of trying to predict what might happen, we continue to seek out companies where we can depend on consistency. New holding VeriSign exemplifies this approach.

VeriSign is the registry operator for two of the most popular top-level internet domains: .com and .net. VeriSign acts as the 21st-century equivalent of a switchboard operator. Essentially, they operate the internet's phone book, VeriSign has a contract with ICANN to operate .com and .net, with a presumptive right of renewal. Unless there is a material breach of contract that the company fails to rectify, they retain the contract. So far, their track record has been impeccable, boasting 100% availability for over 25 years.

When global markets become uncertain, it is reassuring to lean on the underlying reliability businesses like VeriSign. This is consistent with our commitment to a disciplined approach rooted in quality investments. By adhering to these enduring principles while remaining agile and responsive to evolving market dynamics, we believe the Fund is well-positioned for sustained long-term success.

Boston Financial Management LLC

9 April 2025

IFSL MARLBOROUGH US FOCUS FUND

AUTHORISED INVESTMENT MANAGER'S REPORT

for the six month period ended 10 March 2025

Investment commentary (continued)

Explanation of terms*

Benchmark – Comparator for performance purposes.

Distributions

	<u>Year 2024</u>	<u>Year 2023</u>	<u>Year 2022</u>	<u>Year 2021</u>
<u>A Income (pence per unit)</u>				
Net income paid 10 November	13.4394	10.5122	10.5472	8.7503
<u>P Income (pence per unit)</u>				
Net income paid 10 November	14.0403	10.9033	10.8599	8.9412

Portfolio changes

<u>Largest purchases</u>	<u>Cost (£)</u>
Morningstar	925,011
MSCI	857,633
VeriSign	668,695
Landbridge	650,115
CRH	485,275
Equifax	341,388
Copart	265,296
HEICO 'A'	169,854
Total purchases for the period	4,363,267
<u>Largest sales</u>	<u>Proceeds (£)</u>
Air Products & Chemicals	1,683,476
The Sherwin-Williams Company	1,513,120
CDW	1,445,808
CME Group 'A'	1,305,621
Visa 'A'	1,269,136
Lockheed Martin	1,085,836
Microsoft	1,077,291
W R Berkley	1,076,767
Ryan Specialty Holdings 'A'	921,801
Ferguson Enterprises	880,585
Other sales	9,146,198
Total sales for the period	21,405,639

IFSL MARLBOROUGH US FOCUS FUND

AUTHORISED STATUS

IFSL Marlborough US Focus 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, and income, which is money paid out from your investment, such as dividends from shares and interest from bonds, over a minimum of 5 years, however there is no certainty this 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 the shares of companies which are listed on United States of America stock exchanges. These are companies incorporated/domiciled in the US or that have significant business operations in the US. Whilst the Fund can invest in small, medium and large companies, there will typically be a bias towards larger companies.

The Fund invests in a focused manner, which means the Fund will typically hold a concentrated portfolio of between 25 and 45 companies.

The Fund may also invest up to 20% in other types of securities which are linked to the performance of a company, such as; investment grade bonds, which are loans typically issued by companies and governments, where the issuer has a higher capacity to repay the debt; bonds which may be converted into shares (known as convertible bonds); and preference shares.

In addition, the Fund may invest up to 10% in other funds (including investment trusts) which offer exposure to North American companies.

The Fund may hold up to 20% in cash, money market instruments (short term loans typically issued by governments and corporations) and other funds that invest in these instruments as an alternative to holding 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.

Whilst the Fund itself will not use derivatives, the underlying funds purchased may have the ability to use derivatives to varying degrees.

Investment strategy

The Investment Manager has a flexible approach with no bias to company sectors.

The Investment Manager seeks to identify US companies that have a sustainable competitive advantage, through both their fundamental characteristics, such as high and stable profitability, low levels of debt, and evidence that companies are already achieving good returns on the capital invested in them, as well as through their qualitative characteristics, such as those identified through reviews of a company's regulatory filings and media releases, or through interviews with a company's management.

The Investment Manager will invest in the companies they believe will utilise their competitive advantage to grow and provide income.

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 North America 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.

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>.

IFSL MARLBOROUGH US FOCUS FUND

GENERAL INFORMATION

Changes in prospectus

No significant changes have been made since the last annual report.

On 5 December 2024, the P Accumulation unit class was launched.

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.

DIRECTORS' STATEMENT

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



Allan Hamer
Director



Helen Redmond
Director

Investment Fund Services Limited
30 April 2025

IFSL MARLBOROUGH US FOCUS FUND
COMPARATIVE TABLE
A Income units

Change in net assets per unit	Period to 20.01.2025 ^A pence	Year to 10.09.2024 pence	Year to 10.09.2023 pence	Year to 10.09.2022 pence
Opening net asset value per unit	866.96	770.69	772.25	705.67
Return before operating charges*	79.69	122.69	20.65	88.74
Operating charges	(5.20)	(12.98)	(11.70)	(11.61)
Return after operating charges*	74.49	109.71	8.95	77.13
Distributions on income units	-	(13.44)	(10.51)	(10.55)
Closing net asset value per unit	941.45	866.96	770.69	772.25

* after direct transaction costs of: 0.05 0.14 0.05 0.08

Performance

Return after charges^B 8.59% 14.24% 1.16% 10.93%

Other information

Closing net asset value (£)	- ^A	13,929,755	18,217,574	26,804,264
Closing number of units	- ^A	1,606,743	2,363,793	3,470,939
Operating charges	1.56% ^{C,D}	1.57% ^C	1.58% ^C	1.57%
Direct transaction costs	0.00% ^D	0.02%	0.01%	0.01%

Prices (pence per unit)

Highest unit price	972.18	897.66	792.88	815.25
Lowest unit price	865.64	751.63	701.03	676.75

P Income units

Change in net assets per unit	Period to 10.03.2025 pence	Year to 10.09.2024 pence	Year to 10.09.2023 pence	Year to 10.09.2022 pence
Opening net asset value per unit	909.56	802.50	798.07	723.79
Return before operating charges*	32.51	128.19	21.70	91.38
Operating charges	(3.88)	(7.09)	(6.37)	(6.24)
Return after operating charges*	28.63	121.10	15.33	85.14
Distributions on income units	-	(14.04)	(10.90)	(10.86)
Closing net asset value per unit	938.19	909.56	802.50	798.07

* after direct transaction costs of: 0.05 0.15 0.06 0.09

Performance

Return after charges^B 3.15% 15.09% 1.92% 11.76%

Other information

Closing net asset value (£)	22,672,639	31,739,662	29,995,072	28,520,411
Closing number of units	2,416,648	3,489,578	3,737,713	3,573,664
Operating charges	0.81% ^{C,D}	0.82% ^C	0.83% ^C	0.82%
Direct transaction costs	0.00% ^D	0.02%	0.01%	0.01%

Prices (pence per unit)

Highest unit price	1,021.55	940.93	825.47	842.10
Lowest unit price	908.43	783.36	725.03	698.15

^A All units in this unit class were redeemed on 21 January 2025. However, this unit class still remains available for investment.

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

^C On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^D These figures have been annualised.

IFSL MARLBOROUGH US FOCUS FUND

COMPARATIVE TABLE

P Accumulation units

Change in net assets per unit

	Period to 10.03.2025 ^A pence
Opening net asset value per unit	989.32
Return before operating charges*	(50.46)
Operating charges	(1.08)
Return after operating charges*	(51.54)
Distributions on income units	-
Retained distributions	-
Closing net asset value per unit	937.78

* after direct transaction costs of:

0.05

Performance

Return after charges^B

(5.21)%

Other information

Closing net asset value (£)	7,337,265
Closing number of units	782,405
Operating charges	0.81% ^{C,D}
Direct transaction costs	0.00% ^D

Prices (pence per unit)

Highest unit price	1,005.79
Lowest unit price	931.96

^A This unit class launched on 5 December 2024 with units initially issued on 17 January 2025 at 989.32 pence.

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

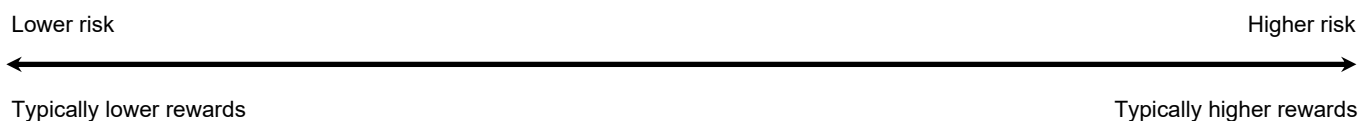
^C On 30 November 2023, The Investment Association amended the disclosure of fund charges and costs originally issued on the 2 July 2020. Consequently, we have excluded, where relevant, charges incurred by closed-ended vehicles such as investment trusts.

^D These figures have 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 period. Where it is considered unsuitable to use the total expenses paid by each unit class in the period 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 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.

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 is used.

The Fund has been measured as 5 because its investments have experienced moderate to high volatility in the past. During the period the synthetic risk and reward indicator has remained unchanged.

IFSL MARLBOROUGH US FOCUS FUND
PORTFOLIO STATEMENT

as at 10 March 2025

Holding or nominal value		Bid value £	Percentage of total net assets %
COMMUNICATION SERVICES (10 September 2024 - 9.72%)			
43,119	Cogent Communications	2,384,249	7.94
7,583	Nexstar Media Group	1,043,495	3.48
	Total Communication Services	3,427,744	11.42
CONSUMER DISCRETIONARY (10 September 2024 - 0.75%)			
400	O'Reilly Automotive	407,883	1.36
	Total Consumer Discretionary	407,883	1.36
CONSUMER STAPLES (10 September 2024 - 28.27%)			
ENERGY (10 September 2024 - Nil)			
13,800	Landbridge	720,887	2.40
	Total Energy	720,887	2.40
FINANCIALS (10 September 2024 - 28.27%)			
20,923	Brown & Brown	1,919,959	6.40
8,337	CME Group 'A'	1,643,015	5.47
4,868	Mastercard 'A'	2,057,717	6.86
1,897	Morningstar	426,298	1.42
1,739	MSCI	756,314	2.52
17,000	Ryan Specialty Holdings 'A'	910,806	3.03
4,819	Visa 'A'	1,287,316	4.29
25,437	W R Berkley	1,231,353	4.10
	Total Financials	10,232,778	34.09
HEALTH CARE (10 September 2024 - 7.16%)			
3,618	Danaher	593,757	1.98
4,706	STERIS	847,178	2.82
	Total Health Care	1,440,935	4.80
INDUSTRIALS (10 September 2024 - 26.44%)			
5,745	A O Smith	308,555	1.03
7,984	Broadridge Financial Solutions	1,488,007	4.96
3,589	Carlisle Companies	931,915	3.11
14,786	Copart	614,620	2.05
6,391	Equifax	1,259,111	4.20
8,513	Ferguson Enterprises	1,107,905	3.69
4,545	HEICO 'A'	728,234	2.43
1,910	Lockheed Martin	700,301	2.33
6,725	Rollins	269,344	0.90
1,875	Watsco	745,038	2.48
	Total Industrials	8,153,030	27.18
INFORMATION TECHNOLOGY (10 September 2024 - 13.55%)			
22,789	Amphenol 'A'	1,109,693	3.70
2,208	Apple	408,370	1.36
3,442	Microsoft	1,047,395	3.49
3,977	VeriSign	739,639	2.46
	Total Information Technology	3,305,097	11.01
MATERIALS (10 September 2024 - 7.04%)			
11,296	CRH	852,215	2.84
	Total Materials	852,215	2.84

IFSL MARLBOROUGH US FOCUS FUND

PORTFOLIO STATEMENT

as at 10 March 2025

Holding or nominal value		Bid value £	Percentage of total net assets %
REAL ESTATE (10 September 2024 - 6.40%)			
13,990	FirstService	1,848,843	6.16
	Total Real Estate	1,848,843	6.16
Portfolio of investments			
		30,389,412	101.26
Net other liabilities			
		(379,508)	(1.26)
Total net assets			
		30,009,904	100.00

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 10 March 2025

	£
Total purchases costs, including transaction charges	4,363,267
Total sales proceeds, net of transaction charges	21,405,639

IFSL MARLBOROUGH US FOCUS FUND

STATEMENT OF TOTAL RETURN

for the six month period ended 10 March 2025

	10 March 2025		10 March 2024	
	£	£	£	£
Income:				
Net capital gains		1,928,802		4,926,981
Revenue	391,161		507,550	
Expenses	(205,865)		(264,680)	
Net revenue before taxation	<u>185,296</u>		<u>242,870</u>	
Taxation	<u>(56,274)</u>		<u>(68,461)</u>	
Net revenue after taxation		<u>129,022</u>		<u>174,409</u>
Total return before distributions		2,057,824		5,101,390
Distributions		(138,922)		(28,790)
Change in net assets attributable to unitholders from investment activities		<u>1,918,902</u>		<u>5,072,600</u>

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

for the six month period ended 10 March 2025

	10 March 2025		10 March 2024	
	£	£	£	£
Opening net assets attributable to unitholders		^A 45,669,417		48,212,646
Amounts receivable on issue of units	11,484,388		17,019,977	
Amounts payable on cancellation of units	(29,115,672)		(20,569,315)	
Amounts payable on unit class conversions	46,114		-	
Compensation to fund	<u>134</u>		<u>-</u>	
		(17,585,036)		(3,549,338)
Dilution adjustment		6,176		2,674
Change in net assets attributable to unitholders from investment activities		1,918,902		5,072,600
Unclaimed distributions		445		480
Closing net assets attributable to unitholders		<u>30,009,904</u>	^A	<u>49,739,062</u>

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

IFSL MARLBOROUGH US FOCUS FUND

BALANCE SHEET

as at 10 March 2025

	10 March 2025 £	10 September 2024 £
Assets:		
Fixed Assets:		
Investments	30,389,412	45,365,123
Current Assets:		
Debtors	418,492	585,982
Cash and bank balances	1,112,997	1,048,967
Total assets	<u>31,920,901</u>	<u>47,000,072</u>
Liabilities:		
Creditors:		
Bank overdrafts	25,663	51,982
Distribution payable	-	705,888
Other creditors	1,885,334	572,785
Total liabilities	<u>1,910,997</u>	<u>1,330,655</u>
Net assets attributable to unitholders	<u><u>30,009,904</u></u>	<u><u>45,669,417</u></u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six month period ended 10 March 2025

Basis for preparation

The interim financial statements have been prepared in compliance with UK Financial Reporting Standard 102 ("FRS 102") and in accordance with the Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

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

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

Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 10 September 2024 and are described in those annual financial statements.

The investments of the Fund have been valued at their fair value at 12 noon on 10 March 2025.

Investment Fund Services Limited
Marlborough House, 59 Chorley New Road, Bolton, BL1 4QP

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Authorised and regulated by the Financial Conduct Authority and a
member of The Investment Association.

Investment Fund Services