Investment Fund Services

IFSL Wise Funds

Interim Report and Unaudited Financial Statements

for the six month period ended 31 August 2024

WISE FUNDS

CONTACT INFORMATION

Registered Office

Marlborough House
59 Chorley New Road
Bolton
BL1 4QP

Authorised Corporate Director (ACD)

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
Dom Clarke
Helen Redmond
Sally Helston
Guy Sears (Independent Non-Executive) - resigned, 25 March 2024
Katherine Damsell (Independent Non-Executive) - appointed, 25 March 2024
Sarah Peaston (Independent Non-Executive)

Investment Manager

Wise Funds Limited
The Great Barn
Chalford Park Barns
Oxford Road
Chipping Norton
Oxfordshire
OX7 5QR

Authorised and regulated by the Financial Conduct Authority.

Depositary

NatWest Trustee & Depositary Services Limited
250 Bishopsgate
London
EC2M 4AA

Authorised and regulated by the Financial Conduct Authority.

Administrator and Registrar (from 1 June 2024)

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

Administrator and Registrar (to 1 June 2024)

Investment Fund Services Limited (IFSL)
Marlborough House
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Auditor

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

IFSL WISE FUNDS

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The statements for each of the above sub-funds are set out in the following order:

IFSL WISE FUNDS

AUTHORISED STATUS

IFSL Wise Funds (the Company) is an investment company with variable capital (ICVC) incorporated under the Open Ended Investment Company (OEIC) Regulations 2001. The Company is a UCITS scheme as defined in the Collective Investment Schemes Sourcebook (COLL) and is an umbrella company for the purposes of the OEIC Regulations. The Company is incorporated in England and Wales with the registration number IC 283 and is authorised and regulated by the Financial Conduct Authority with effect from 4 February 2004 with PRN 229388. The Company has an unlimited duration.

Shareholders of the sub-funds do not have any proprietary interest in the underlying assets of the Company and will not be liable for the debts of the Company. A sub-fund is not a legal entity. If the assets attributable to a sub-fund were insufficient to meet its liabilities the shortfall will not be met out of the assets attributable to one or more other sub-funds of the Company. The sub-funds are segregated by law under the Protected Cell Regime.

The Company currently has two sub-funds: IFSL Wise Multi-Asset Growth and IFSL Wise Multi-Asset Income.

GENERAL INFORMATION

IFSL Wise Multi-Asset Growth

Investment objective

The investment objective of the sub-fund is to provide capital growth over rolling periods of 5 years in excess of the Cboe UK All Companies Index and in line with or in excess of the Consumer Price Index (CPI), in each case after charges.

Investment policy

The sub-fund may have direct or indirect exposure to multiple asset classes including equities, fixed interest securities (government or corporate bonds), and indirect exposure to alternative asset classes, such as infrastructure, clean energy, commodities, property and private equity.

Indirect exposure will be obtained through investments in closed-ended collective investment funds (such as investment trusts and REITs) and open-ended collective investment schemes (such as unit trusts, OEICs and ETFs) which may include those managed by the ACD and its associates (together ‘collective investment vehicles’).

The sub-fund may also invest directly in money market instruments, deposits, cash and near cash.

The sub-fund’s portfolio will be diversified by reference to various factors such as industry, geography or asset class, although there is no restriction on allocations between different factors.

The Investment Manager may also, where it considers appropriate, manage the portfolio on a more concentrated basis by holding fewer than 30 holdings. This could be, for example, where the Investment Manager decides to increase its backing of certain managers, thus reducing the tail of holdings, or during adverse market conditions where the Investment Manager may consider it in the best interests of Shareholders to allocate a greater proportion of the portfolio to cash.

The sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as “Efficient Portfolio Management”). It is intended that the use of derivatives will be limited.

The sub-fund is actively managed. The Investment Manager aims to construct a portfolio of “best-in-class” collective investment vehicles and companies that demonstrate a commitment and ability to deliver consistent income, in asset classes that it expects to benefit from favourable market conditions, and at valuations which the Investment Manager considers are attractive at the point of purchase.

This approach is research-intensive, and involves consideration of many factors in relation to both the wider economic environment and individual holdings. By focusing both on direct and indirect investments, research on each element of the portfolio benefits the other.

The Investment Manager is purposely using a broad investment universe as it offers the best opportunity in seeking to achieve the sub-fund’s objectives in an ever-changing world.

Target benchmark

The sub-fund is managed to outperform the Cboe UK All Companies Index over rolling periods of 5 years. Given the objectives the index has been chosen as a target benchmark as shares of companies (equities) have historically been the fastest growing asset class over longer periods of time. The sub-fund is marketed solely into the UK and investors are predominantly UK based so a broad based UK equity index has been chosen. Whilst the index is comprised of shares in UK listed companies, a large proportion of their revenues comes from outside of the UK, making it a good proxy for UK investors looking for international exposure.

GENERAL INFORMATION

IFSL Wise Multi-Asset Growth (continued)

Target benchmark (continued)

Please note the sub-fund is not constrained by or managed to the index.

The sub-fund is managed to outperform the Consumer Prices Index (the "CPI") over rolling periods of 5 years. The sub-fund aims to achieve a return for investors in real terms in line with the risk profile of the sub-fund. The CPI is a measure of UK inflation, and so is considered an appropriate measure of what constitutes a return in real terms for these purposes.

Comparator benchmark

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.

Shareholders may wish to compare the sub-fund's performance against other funds within the Investment Association's IA Flexible Investment sector as this will provide an indication of how the sub-fund is performing compared to its peers in that sector. The IA Flexible Investment sector is considered an appropriate comparator because the sub-fund adopts a flexible asset allocation

IFSL Wise Multi-Asset Income

Investment objective

The investment objective of the sub-fund is to provide: an annual income in excess of 3%; and to provide income and capital growth (after income distributions) at least in line with the Consumer Price Index (CPI), over rolling periods of 5 years.

Investment policy

The sub-fund may have direct or indirect exposure to multiple asset classes. At any one time, between 40 – 85% of the sub-fund will be directly or indirectly exposed to equities. The balance of the sub-fund will be exposed, in any combination to one or more of: alternative asset classes, such as infrastructure, clean energy, commodities, property and private equity; fixed interest securities (government or corporate bonds (which may include high-yield bonds)); money market instruments; deposits; cash and near cash. Exposure to alternative asset classes will always be indirect.

Indirect exposure will be obtained through investments in closed-ended collective investment funds (such as investment trusts and REITs) and open-ended collective investment schemes (such as unit trusts, OEICs and ETFs), which may include those managed by the ACD and its associates (together 'collective investment vehicles').

The sub-fund's portfolio will be diversified by reference to various factors such as industry, geography or asset class, although there is no restriction on allocations between different factors.

The Investment Manager may also, where it considers appropriate, manage the portfolio on a more concentrated basis by holding fewer than 30 holdings. This could be, for example, where the Investment Manager decides to increase its backing of certain managers, thus reducing the tail of holdings, or during adverse market conditions where the Investment Manager may consider it in the best interests of shareholders to allocate a greater proportion of the portfolio to cash.

The sub-fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management"). It is intended that the use of derivatives will be limited.

The sub-fund is actively managed. The Investment Manager aims to construct a portfolio of "best-in-class" collective investment vehicles and companies that demonstrate a commitment and ability to deliver consistent income, in asset classes that it expects to benefit from favourable market conditions, and at valuations which the Investment Manager considers are attractive at the point of purchase.

This approach is research-intensive, and involves consideration of many factors in relation to both the wider economic environment and individual holdings. By focusing both on direct and indirect investments, research on each element of the portfolio benefits the other.

The Investment Manager is purposely using a broad investment universe as it offers the best opportunity in seeking to achieve the sub-fund's objectives in an ever-changing world.

Target benchmark

The sub-fund aims to provide income and capital growth for investors in real terms in line with the risk profile of the sub-fund. The CPI is a measure of UK inflation, and so is considered an appropriate measure of what constitutes a return in real terms for these purposes.

GENERAL INFORMATION

IFSL Wise Multi-Asset Income (continued)

<u>Comparator benchmark</u>

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.

Shareholders may wish to compare the sub-fund's performance against the Investment Association's IA Mixed Investment 40 – 85% Shares sector as this will provide an indication of how the sub-fund is performing compared to its peers in that sector. The IA Mixed Investment 40 – 85% Shares sector is considered an appropriate comparator because the sub-fund meets the sector threshold requirements and the sector reflects the asset allocation of the sub-fund.

Rights and terms attached to each share class

A share of each class represents a proportional entitlement to the assets of the sub-fund. The allocation of income and taxation and the rights of each share in the event that a sub-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/tcfd-reporting.

Changes in prospectus

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

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

Cross holdings

The sub-funds of the Company do not hold shares in other sub-funds of the Company.

AUTHORISED CORPORATE 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	Helen Redmond
Director	Director

Investment Fund Services Limited
20 October 2024

NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the six month period ended 31 August 2024

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

The interim financial statements are prepared in sterling, which is the functional currency of the sub-funds. 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 29 February 2024 and are described in those annual financial statements.

The investments of the sub-funds have been valued at their fair value at 12 noon on 30 August 2024.

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Performance to 31 August 2024

Cumulative performance to 31 August 2024	Six months	1 year	3 years	5 years
IFSL Wise Multi-Asset Growth Fund[A]	9.71%	14.20%	9.77%	48.93%
Cboe UK All Companies Index[B]	12.32%	17.32%	25.97%	38.51%
UK Consumer Price Index[C]	1.47%	2.21%	19.78%	23.88%
IA Flexible Investment Sector[D]	5.10%	11.81%	5.35%	28.65%

Rolling 5 year performance to 31 August	2024	2023	2022	2021	2020
IFSL Wise Multi-Asset Growth Fund[A]	48.93%	31.48%	38.19%	81.06%	55.55%
Cboe UK All Companies Index[B]	38.51%	18.36%	17.03%	31.44%	16.57%
UK Consumer Price Index[C]	23.88%	23.29%	18.66%	11.09%	8.33%
IA Flexible Investment Sector[D]	28.65%	17.30%	22.42%	46.95%	39.20%

[A] External Source of Economic Data: Morningstar (B Accumulation - quoted price to quoted price).

[B] Target benchmark. External Source of Economic Data: FE Analytics.

[C] Target benchmark. External Source of Economic Data: Morningstar.

[D] Comparator benchmark. External Source of Economic Data: Morningstar.

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 IFSL Wise Multi-Asset Growth Fund (the sub-fund) returned 9.7% over the 6-month reporting period, behind the CBOE UK All Companies Index (+12.3%) but ahead of its peer group, the IA Flexible Investment Sector (+5%). Over the period, the sub-fund was in the top 4% of funds in the peer group, highlighting how our differentiated positioning helped performance.

Over the 5-year time horizon we consider sensible to look at our performance, the sub-fund is up 48.9%, ahead of both the CBOE UK All Companies Index (+38.5%) and the IA Flexible Investment Sector (+28%). The sub-fund sits in the top 9% of funds in the peer group over that time horizon, which is a pleasing outcome given the challenges thrown at investors during the period (Covid, wars, political changes, dominance of large technology companies, sharp shifts in interest rates, etc…).

Market review

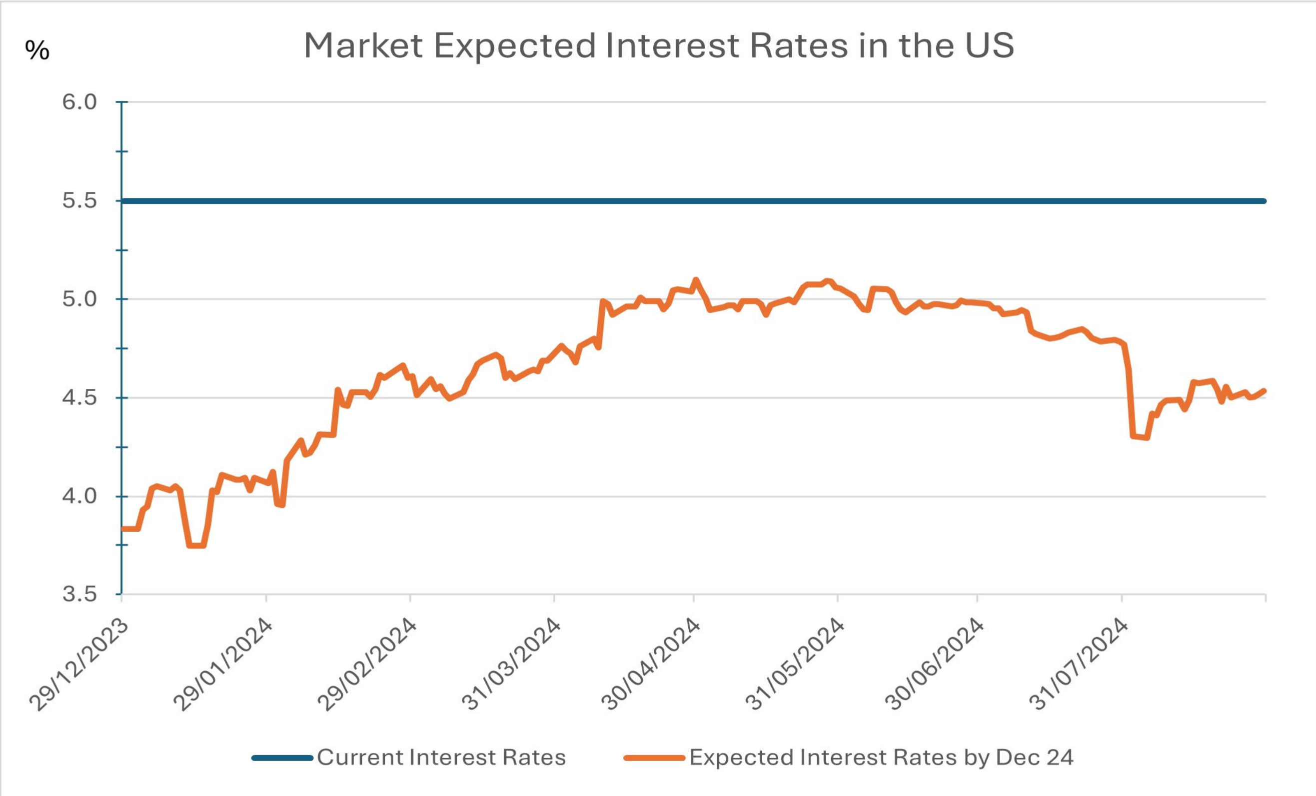
Despite solid headline numbers for so-called risk assets (equities, bonds, commodities), the review period was a volatile one with economic data often wrong-footing investors. The overall direction of travel, however, is one where inflation increasingly looks under control and remains likely to stay so. For the past 6 monthly readings, headline inflation averaged 3.2% in the US (vs a post-Covid peak of 8.9%), 2.5% in the UK (vs a post-Covid peak of 11.1%) and 2.5% in the Eurozone (vs a post-Covid peak of 10.6%). A big driver of this reduced pressure on prices has been lower energy prices, which are volatile, but a sustained slowdown in price inflation is now apparent across all sectors. Meanwhile, growth indicators (particularly in the US, still the biggest driver of global growth) proved surprisingly resilient in the face of the highest interest rates since the Great Financial Crisis of 2007/09. Towards the end of the period, however, it became apparent that growth is finally slowing down although the consensus, for now, is that the slowdown will be moderate and that a recession will be avoided.

This environment is proving ideal for central bankers who, having been late to foresee how quickly and sustainably inflation would flare up, continue to err on the side of caution and are keen not to fuel inflation again by cutting interest rates too early. With inflation looking increasingly under control and without too much pressure to boost growth, central banks in the US, UK and the Eurozone have had time on their side. The European Central Bank (ECB) was the first to cut rates in June but did not feel the need to follow-up later in the period. The Bank of England (BOE) cut its rates in August but, equally, made it clear that the pace of future cuts would be cautious. As for the US central bank (the Federal Reserve or Fed), its chairman hinted at a first rate cut in September as a means of preventing growth from slowing down too much. With interest rates in these three regions having risen around 5% since 2021/22, central banks have managed to rebuild their rates buffer, allowing them to react more urgently if economies deteriorate.

The path to this point was not smooth, however, and one can guarantee that the path from here will not be either. From one month to the next, markets continued to be driven by the monthly cycle of data releases and central bankers' speeches. The changes in future interest rate expectations by the end of 2024 are a good illustration of how investor expectations evolved during the period. These changes are important because they dictate the general direction of markets by changing the interest rates used to value financial assets.

Investment commentary (continued)

Market review (continued)



Source: Factset, Wise Funds, 30 August 2024.
Central banks typically move interest rates in 0.25% increments, although bigger moves are possible.

The biggest turbulence came in the middle of the summer after a weaker than expected employment report in the US triggered fears of recession and concerns that the Fed is behind the curve by keeping interest rates unchanged. In parallel, the Bank of Japan (BOJ)'s surprising decision to raise interest rates on the last day of July to their highest level in 15 years triggered the unravelling of a popular so-called “carry trade” which amplified market volatility. A carry trade is a strategy used by institutional investors that involves borrowing in a low interest rate currency (in this case, the Japanese Yen with rates of 0.1%) and reinvesting in a higher interest rate currency (in this case, the US dollar with rates of 5.5%). As long as the interest rate differential between the two currencies remains wide, the strategy should offer positive returns and cover the investment and exchange rate conversion fees. However, most of these trades are placed using a lot of leverage (i.e. debt) meaning that a small move in the differential rate can quickly lead to large losses. The unexpected rate hike from the BOJ did just that, causing a ripple effect across financial markets as investors scrambled to raise cash anywhere possible to cover their losses in the carry trade. Japanese equities were the worst affected, at one point in August falling more than 25% from their all-time high freshly printed in July, thus reversing all their gains for the year.

Meanwhile, large US technology companies entered a technical “correction” (a drop of more than 10%) with the broader US equities index only narrowly avoiding the same fate. Other main equity markets, such as in the UK or Europe, suffered too but displayed relative defensiveness thanks to more attractive valuations. Bonds, on the other hand, provided absolute protection and registered strong gains as investors priced in aggressive rate cuts from central banks in response to a seemingly quickly deteriorating economic outlook. In the US, the drop in government bond yields* (which move inversely to price) implied five rate cuts of 0.25% by the end of the year, from only three at the end of July (and two at the beginning of July). Finally, gold was also sought after and provided a safe haven during the period of turbulence early in August. That period proved short-lived, however, and losses were broadly recovered by the end of the month, supported by strong inflows into equities by investors previously sitting in cash, and less worrying economic data in the subsequent weeks.

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Investment commentary (continued)

Market review (continued)

The reporting period was also an interesting one because of the change in market leadership it witnessed, with UK equities topping the leaderboard, both before and after exchange rate conversion. 6 months is a short time and, longer term, US equities are still outperforming other international equity markets, but we could be at a turning point where valuations start to matter again. The US technology sector is starting to show signs of fatigue with disappointing earnings and investors increasingly wary of overpaying for future promises while greater opportunities for more immediate value are available elsewhere. Investors have looked for such opportunities in UK equities, particularly amongst smaller companies which have also benefitted from a busy M&A (Mergers and Acquisitions) environment, as well as an earlier than expected general election which provided some political stability after an often-chaotic few years.

Aside from the UK election, we are in the middle of an extraordinary year with around half of the global population heading to the polls for a national election. In the period, such elections were held in major economies such as India, Mexico and South Africa in emerging markets, as well as in the EU. The strong performance of far-right parties in the parliamentary elections in the latter region led to surprising snap elections in France, which added some uncertainty, still ongoing at the time of writing as a government there is yet to be appointed. The upcoming elections in the US in November are already dominating headlines as well as investors' minds, given the varying impact either candidate and party could have on domestic and international growth. The surprising exit of President Biden from the race in favour of Vice-President Harris has made the outcome in November much closer to call keeping investors on their toes.

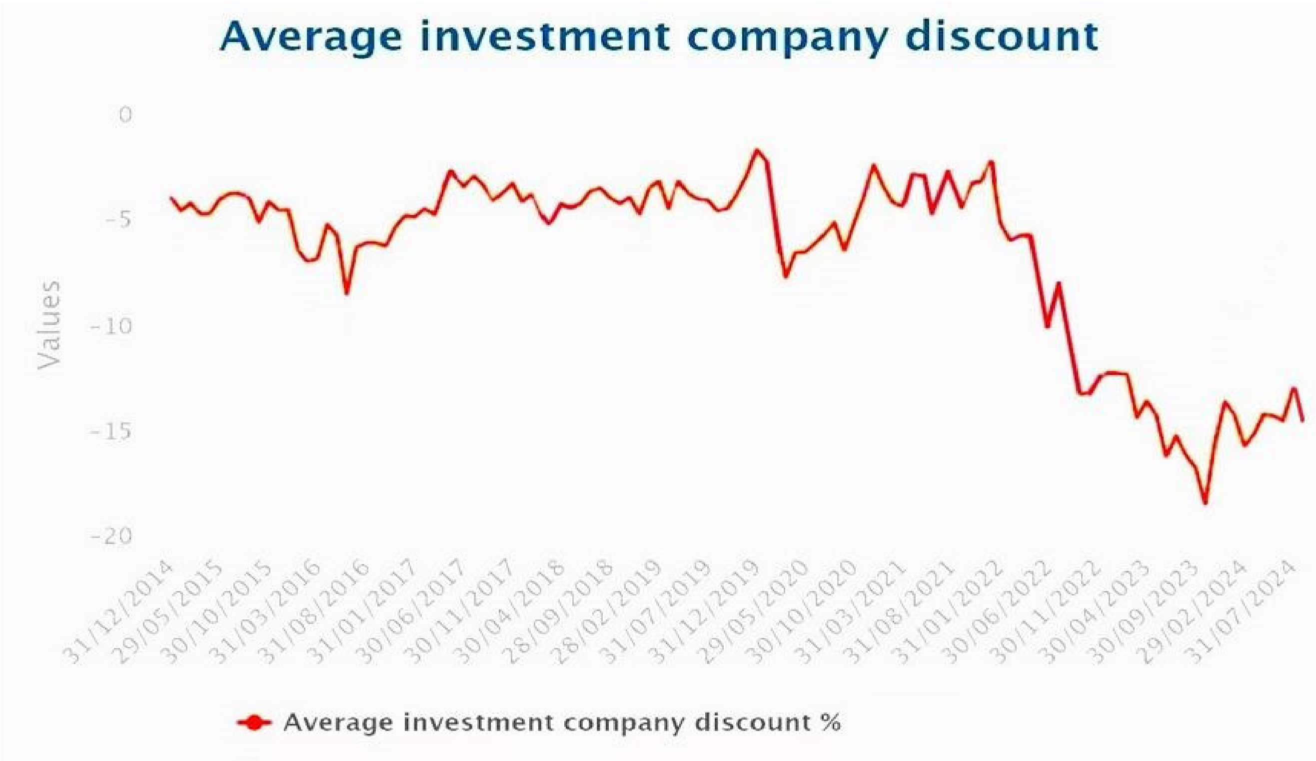
Sub-fund performance review

The sub-fund delivered a strong return of 9.7% over the period. Part of this can be attributed to an improving outlook for the UK equity market which, thanks to better economic resilience than anticipated, hope for a more stable political landscape and attractive valuations, started to show positive momentum after years of being ignored by investors. These factors seem to have finally started unlocking capital from companies and private equity funds to invest. As a result, M&A (Mergers and Acquisitions) deals in the UK were 66% higher in the first half of 2024 than in the previous year and, thanks to often very attractive premiums to the share price for listed target companies, equity investors took notice. Flows into UK equities remain in the early stages of a recovery after years of outflows and could easily be derailed from here but, for the interim period, they helped push the UK towards the top of the league table of returns. This was particularly the case for smaller companies which present the doubly attractive characteristics of offering more direct access to the resilient domestic growth story and the cheapest valuations relative to both their own history and larger companies.

While the sub-fund is by no means a UK fund, we have been attracted by the cheapness of UK equities for years and have had an average of 17% exposure to UK strategies for the period. Managers targeting smaller companies and using a value style (as opposed to growth) were our strongest contributors, like Aberforth Smaller Companies and Fidelity Special Values. Both these investment trusts combined strong Net Asset Value (NAV) growth, as well as a tightening of their discount. Narrower discounts across the portfolio was another contributor to our performance and another reason why a more in demand UK equity market plays in our favour. With two thirds of the portfolio invested in investment trusts listed on the London Stock Exchange, healthier flows into UK equities generally helps lift all boats in the investment trusts world, even those invested in unrelated asset classes. As an illustration, the average discount for the investment trusts we own in our sub-fund moved from 16.1% at the start of the period to a narrower 13.6% by the end. This move was in line with the dynamics in the sector as a whole where, after reaching a record wide average discount last October, things have started to improve. Extreme valuations can sometimes be their own catalyst as investors look at assets that become too good to pass on. The board of investment trusts have also been very active in buying back their own shares, reaching a record level of activity in 30 years during the period. This is a strong signal that the managers themselves believe their own funds offer great value.

Investment commentary (continued)

Sub-fund performance review (continued)



Source: The Association of Investment Companies, Wise Funds, 31 August 2024.

Another example of how powerful the combination of improving NAV and tightening of discount can be was the Ecofin Global Utilities and Infrastructure trust’s performance. On the NAV front, after a difficult period last year where the sector traded in lockstep with long-term bonds (which struggled in a rising interest rates environment), the trust’s holdings started performing in 2024 thanks to the perceived peak in interest rates (utilities are often seen as an income play and thus “compete” with other income assets like bonds), but also thanks to being seen as an indirect play on the growth in Artificial Intelligence (AI). The explosion in AI resources requirements is having a significant impact on electricity demand for data centres. The companies involved are increasingly wanting to use renewable sources of energy to meet that demand but need a reliable source, independent of whether the sun shines or the wind blows. This benefitted a couple of nuclear energy holdings in the Ecofin’s portfolio as nuclear is increasingly accepted as a necessary stepping stone in the transition from fossil fuel to clean energy. A similar theme also helped our other investment in the space Premier Miton Global Infrastructure Income. The strong NAV performance combined with better general sentiment from investors attracted more demand for the Ecofin trust which had been trading at extreme valuations and saw its discount narrow from ~20% to ~10% over the period. We benefitted from this move, having materially increased our position in the trust since last autumn.

Last but not least, our strongest contributor was the Jupiter Gold & Silver Fund. Supported by ongoing purchases from central banks looking to diversify their assets away from the US dollar as well as by its safe haven status in an uncertain geopolitical world, gold returned more than 20% over the period setting a new all-time high. Meanwhile, the Jupiter fund, by investing in gold and silver mining companies, doubled the return of the precious metal. Mining companies are always an amplified play on the underlying metals, but this is particularly true in precious metals where the scarcity of investable companies made the movement even starker. This holding proved its worth as a defensive asset in our portfolio during the market volatility of the summer but, thanks to valuations that remain attractive in a sector that is highly profitable, it is also a position we are happy to hold on a standalone basis.

There were only a few detractors over the period, none of them particularly significant. One of them was VPC Specialty Lending Investments, a private lender to predominantly US start-ups. The trust suffered from volatility in its NAV as well as a dearth of new investors since its board announced it would wind-down the strategy. As a result, the discount on the trust broadly doubled to 40% since the start of the year.

The other small detractors were found in emerging markets, predominantly driven by the weakness in Chinese equities. China remains in a difficult position post-Covid with its economy plagued by a property market crisis and slow consumption. So far, the government has been unable to stimulate the economy back to growth, leaving its stock market to struggle. We only own a small direct exposure to Chinese equities via the Fidelity China Special Situations trust, but the malaise in China also impacted broader emerging markets over the period.

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Investment commentary (continued)

Portfolio activity

Given some of the price action in financial markets over the reporting period, we were active in recycling the portfolio in order to tilt it towards the more attractive opportunities. At the sector level, one such opportunity remains in biotechnology, an area we have increasingly been focusing on for the past couple of years. After a post-Covid “hangover” where the sector struggled to attract new capital due to a lack of interest from investors and increased financing difficulties caused by higher interest rates, the sector is now showing signs of a revival with a rebound in acquisitions, a return of IPOs (when private companies raise capital via public markets) and exciting new innovations. With valuations remaining attractive, we increased our allocation to both International Biotechnology Trust and RTW Biotech Opportunities during the period. The sector represents more than 11% of the portfolio at the end of the period.

Our weighting to utilities and infrastructure also increased as we are attracted to the defensiveness and predictability of the underlying assets in the sector, as well the cheap valuations after a difficult period last year. As the example of Ecofin we mentioned earlier illustrates though, those assets are not purely defensive but also offer a direct play on the energy transition and an indirect play on the rise of AI. These are the types of positions we favour where we can participate in an attractive theme without getting caught in the hype and overpaying for the privilege.

Within UK equities, a strong performing sector for the period as highlighted earlier, we took some profits in Aberforth Smaller Companies, Fidelity Special Values and JO Hambro UK Equity Income, and rotated into the Amati UK Smaller Companies fund which lagged behind the more value-oriented strategies.

We exited three positions fully during the period. The first one is the VPC Specialty Lending Investments trust mentioned above. Although the board of the trust is committed to returning capital to shareholders as soon as practical, which should help narrow the discount again, we believe that this process will take some time given the illiquidity of its investments, thus presenting a big opportunity cost if we wait for the cash to be returned to us. We also exited two holdings in emerging markets, starting with BlackRock Frontiers Investment Trust, a trust investing in smaller emerging markets which had performed strongly over the past few years and had become a small position after a few rounds of profit taking. The second one, the KLS Corinium Emerging Markets Fund, was regrettably closed by its manager. In their place, the only new position we added over the period was the Schroder Emerging Markets Value Fund, an emerging markets equity strategy managed by the same value team which manages the Schroder Global Recovery Fund that we already own. We know the team’s process well and think that their approach should deliver positive and differentiated returns when applied to emerging markets.

Investment outlook

After a strong period of performance since the last quarter of 2023, it is becoming more and more apparent that the leadership of financial markets is being challenged (for example with large technology companies prone to disappointment) and that some vulnerabilities are starting to appear. As we enter a new phase in the economic cycle with growth slowing down and interest rates being cut, the environment will remain uncertain and a challenging one to navigate. Luckily, despite main indices looking increasingly expensive, many parts of the market remain attractively valued, across regions (UK, emerging markets), asset classes (infrastructure, listed private equity, biotechnology) and styles (smaller companies, value), presenting opportunities we are excited about. Accessing those will require both nimbleness and discipline in order to safeguard gains which can quickly evaporate on the back of some economic data release, speech from a central banker or a political leftfield event. It will also require diversification as returns and protection will both continue to come from many different areas.

With our experience, valuation discipline and the breadth of strategies investment trusts give us access to, we believe we are well positioned to take up this challenge.

As always, I would like to take this opportunity to thank our investors for their ongoing support. The whole Wise Funds team is at your disposal should you have any questions or would like to talk to us.

Vincent Ropers
Wise Funds Limited
13 September 2024

Explanation of terms*

Yield - the income from an investment, usually stated as a percentage of the value of the investment.

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Distributions

	Year 2024	Year 2023	Year 2022	Year 2021
B Accumulation (pence per share)				
Net accumulation paid 30 April	5.6530	4.6339	2.3259	1.7482
Net accumulation paid 31 October	4.6118	3.7933	2.8521	0.8827
W Accumulation (pence per share)				
Net accumulation paid 30 April	6.3795	5.2579	2.9331	2.2410
Net accumulation paid 31 October	5.2872	4.3515	3.4514	1.4569

Portfolio changes

Purchases	Cost (£)
Schroder Emerging Markets Value 'L' GBP Accumulation	1,107,484
WS Amati UK Listed Smaller Companies 'B'	298,046
RTW Biotech Opportunities	278,712
International Biotechnology Trust	212,363
Man GLG Undervalued Assets 'C'	2
Total purchases for the period	1,896,607

Largest sales	Proceeds (£)
KLS Corinium Emerging Markets Equity 'F' GBP	1,673,137
Aberforth Smaller Companies Trust	1,490,261
Jupiter Gold & Silver 'U1' GBP	1,279,567
Fidelity Special Values	1,238,518
Templeton Emerging Markets Investment Trust	1,184,471
Caledonia Investments	1,150,786
Polar Capital Global Financials Trust	1,114,421
BlackRock Frontiers Investment Trust	790,810
Vontobel TwentyFour Strategic Income 'G' GBP	752,000
Odyssean Investment Trust	710,478
Other sales	6,962,435
Total sales for the period	18,346,884

IFSL WISE FUNDS
IFSL WISE MULTI-ASSET GROWTH

COMPARATIVE TABLE

B Accumulation shares **Change in net assets per share**	**Period to 31.08.2024 pence**	**Year to 29.02.2024 pence**	**Year to 28.02.2023 pence**	**Year to 28.02.2022 pence**
Opening net asset value per share	455.41	459.28	441.90	407.84
Return before operating charges*	46.96	0.07	21.23	38.06
Operating charges	(2.80)	(3.94)	(3.85)	(4.00)
Return after operating charges*	44.16	(3.87)	17.38	34.06
Distributions on accumulation shares	(4.61)	(9.45)	(7.49)	(3.21)
Retained distributions on accumulation shares	4.61	9.45	7.49	3.21
Closing net asset value per share	499.57	455.41	459.28	441.90
* after direct transaction costs of:	0.08	0.34	0.47	0.42
Performance				
Return after charges[A]	9.70%	(0.84)%	3.93%	8.35%
Other information				
Closing net asset value (£)	49,755,902	51,127,787	53,972,657	47,595,880
Closing number of shares	9,959,652	11,226,743	11,751,679	10,770,824
Operating charges	1.15%[B,C]	1.12%[B]	1.90%	1.15%
Direct transaction costs	0.04%[C]	0.08%	0.11%	0.09%
Prices				
Highest share price	508.82	466.90	472.04	474.11
Lowest share price	457.35	417.93	401.94	410.35

W Accumulation shares **Change in net assets per share**	**Period to 31.08.2024 pence**	**Year to 29.02.2024 pence**	**Year to 28.02.2023 pence**	**Year to 28.02.2022 pence**
Opening net asset value per share	463.86	466.62	447.84	412.29
Return before operating charges*	47.87	0.11	21.58	38.45
Operating charges	(2.22)	(2.87)	(2.80)	(2.90)
Return after operating charges*	45.65	(2.76)	18.78	35.55
Distributions on accumulation shares	(5.29)	(10.73)	(8.71)	(4.39)
Retained distributions on accumulation shares	5.29	10.73	8.71	4.39
Closing net asset value per share	509.51	463.86	466.62	447.84
* after direct transaction costs of:	0.08	0.35	0.48	0.42
Performance				
Return after charges[A]	9.84%	(0.59)%	4.19%	8.62%
Other information				
Closing net asset value (£)	20,201,429	28,749,947	34,230,881	35,208,288
Closing number of shares	3,964,894	6,198,032	7,335,989	7,861,855
Operating charges	0.90%[B,C]	0.87%[B]	1.65%	1.65%
Direct transaction costs	0.04%[C]	0.08%	0.11%	0.09%
Prices				
Highest share price	518.84	475.36	479.50	480.14
Lowest share price	465.84	425.27	407.98	414.85

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

[B] 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.

[C] 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 share class in the period. Where it is considered unsuitable to use the total expenses paid by each share class in the period to calculate the OCF because of material changes to the sub-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 sub-fund. These amounts are expressed as a percentage of the average net asset value over the period and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR

Lower risk — Higher risk

Typically lower rewards — Typically higher rewards

1	2	3	4	5	6	7

The synthetic risk and reward indicator above aims to provide you with an indication of the overall risk and reward profile of the sub-fund. It is calculated based on the volatility of the sub-fund using weekly historic returns over the last five years. If five years data is not available for a sub-fund, the returns of a representative portfolio are used.

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

PORTFOLIO STATEMENT
as at 31 August 2024

Holding or nominal value		Bid value £	Percentage of total net assets %
	ASIA EQUITY (29 February 2024 - 2.71%)		
130,812	Fidelity Asian Values	637,054	0.91
653,738	Fidelity China Special Situations	1,184,573	1.69
	Total Asia Equity	1,821,627	2.60
	EMERGING MARKETS EQUITY (29 February 2024 - 9.34%)		
1,558,464	Mobius Investment Trust	2,111,719	3.02
2,180,001	Schroder Emerging Markets Value 'L' GBP Accumulation	1,087,385	1.55
995,160	Templeton Emerging Markets Investment Trust	1,610,169	2.30
	Total Emerging Markets Equity	4,809,273	6.87
	EUROPE EQUITY (29 February 2024 - 4.92%)		
393,524	The European Smaller Companies Trust	699,686	1.00
1,625,090	WS Lightman European 'I'	2,599,006	3.72
	Total Europe Equity	3,298,692	4.72
	INTERNATIONAL EQUITY (29 February 2024 - 14.72%)		
1,259,255	AVI Global Trust	2,927,768	4.19
58,184	Caledonia Investments	2,117,898	3.03
1,988,025	Schroder Global Recovery 'Z' GBP	2,276,288	3.25
464,278	WS Ruffer Equity & General 'I'	3,173,388	4.54
	Total International Equity	10,495,342	15.01
	JAPAN EQUITY (29 February 2024 - 2.72%)		
1,339,077	AVI Japan Opportunity Trust	1,847,926	2.64
	Total Japan Equity	1,847,926	2.64
	UK EQUITY (29 February 2024 - 16.63%)		
130,184	Aberforth Smaller Companies Trust	2,095,962	3.00
817,817	Fidelity Special Values	2,657,905	3.80
174,187	JOHCM UK Equity Income 'A'	923,712	1.32
520,252	Man GLG Undervalued Assets 'C'	1,162,242	1.66
1,832,085	Odyssean Investment Trust	3,169,507	4.53
117,538	WS Amati UK Listed Smaller Companies 'B'	1,427,658	2.04
	Total UK Equity	11,436,986	16.35
	SPECIALIST - FINANCIALS (29 February 2024 - 2.84%)		
752,950	Polar Capital Global Financials Trust	1,308,627	1.87
	Total Specialist - Financials	1,308,627	1.87
	SPECIALIST - HEALTHCARE (29 February 2024 - 9.55%)		
434,891	International Biotechnology Trust	2,965,957	4.24
1,588,000	RTW Biotech Opportunities	1,844,479	2.64
863,850	Worldwide Healthcare Trust	3,148,733	4.50
	Total Specialist - Healthcare	7,959,169	11.38
	SPECIALIST - RESOURCES (29 February 2024 - 2.71%)		
419,288	BlackRock World Mining Trust	2,218,034	3.17
	Total Specialist - Resources	2,218,034	3.17
	PRIVATE EQUITY (29 February 2024 - 9.01%)		
97,820	ICG Enterprise Trust	1,193,404	1.71
536,474	Oakley Capital Investments	2,778,935	3.97
858,253	Pantheon International	2,746,410	3.92
	Total Private Equity	6,718,749	9.60
	PROPERTY (29 February 2024 - 2.22%)		
544,808	TR Property Investment Trust	1,825,107	2.61
	Total Property	1,825,107	2.61

PORTFOLIO STATEMENT
as at 31 August 2024

Holding or nominal value		Bid value £	Percentage of total net assets %
	INFRASTRUCTURE (29 February 2024 - 5.57%)		
1,513,416	Ecofin Global Utilities and Infrastructure Trust	2,777,118	3.97
1,706,787	Premier Miton Global Infrastructure Income 'F'	2,433,879	3.48
	Total Infrastructure	5,210,997	7.45
	FIXED INCOME (29 February 2024 - 9.13%)		
2,585,185	TwentyFour Income Fund	2,698,933	3.86
22,528	Vontobel TwentyFour Strategic Income 'G' GBP	3,118,132	4.46
	Total Fixed Income	5,817,065	8.32
	DEFENSIVE (29 February 2024 - 5.84%)		
105,262	Jupiter Gold & Silver 'U1' GBP	2,122,612	3.03
71,451	Pacific G10 Macro Rates 'Z' GBP Hedged	808,967	1.15
6,373	TM Fulcrum Diversified Core Absolute Return 'C' GBP	819,287	1.17
	Total Defensive	3,750,866	5.35
	Portfolio of investments	68,518,460	97.94
	Net other assets	1,438,871	2.06
	Total net assets	69,957,331	100.00

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

PORTFOLIO TRANSACTIONS

for the six month period ended 31 August 2024	£
Total purchases costs, including transaction charges	1,896,607
Total sales proceeds, net of transaction charges	18,346,884

IFSL WISE FUNDS
IFSL WISE MULTI-ASSET GROWTH

STATEMENT OF TOTAL RETURN
for the six month period ended 31 August 2024

	31 August 2024		31 August 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		6,469,281		(5,508,487)
Revenue	1,074,960		1,117,483	
Expenses	(308,739)		(346,306)	
Net revenue before taxation	766,221		771,177	
Taxation	-		(155)	
Net revenue after taxation		766,221		771,022
Total return before distributions		7,235,502		(4,737,465)
Distributions		(766,221)		(771,008)
Change in net assets attributable to shareholders from investment activities		6,469,281		(5,508,473)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the six month period ended 31 August 2024

	31 August 2024		31 August 2023	
	£	£	£	£
Opening net assets attributable to shareholders		[A] 79,877,734		88,347,334
Amounts receivable on issue of shares	954,174		8,503,984	
Amounts payable on cancellation of shares	(18,012,817)		(9,113,504)	
		(17,058,643)		(609,520)
Change in net assets attributable to shareholders from investment activities		6,469,281		(5,508,473)
Retained distribution on accumulation shares		668,959		758,127
Closing net assets attributable to shareholders		69,957,331		[A] 82,987,468

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

BALANCE SHEET
as at 31 August 2024

	31 August 2024	29 February 2024
	£	£
Assets:		
Fixed Assets:		
Investments	68,518,460	78,224,892
Current Assets:		
Debtors	554,374	447,400
Cash and bank balances	1,587,318	1,576,127
Total assets	70,660,152	80,248,419
Liabilities:		
Creditors:		
Other creditors	702,821	370,685
Total liabilities	702,821	370,685
Net assets attributable to shareholders	69,957,331	79,877,734

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Performance to 31 August 2024

Cumulative performance to 31 August 2024	Six months	1 year	3 years	5 years
IFSL Wise Multi-Asset Income Fund[A]	9.43%	14.57%	13.74%	39.73%
UK Consumer Price Index[B]	1.47%	2.21%	19.78%	23.88%
IA Mixed Investment 40-85% Shares Sector[C]	5.68%	12.53%	5.49%	25.97%

Rolling 5 year performance to 31 August	2024	2023	2022	2021	2020
IFSL Wise Multi-Asset Income Fund[A]	39.73%	14.16%	18.32%	39.90%	15.12%
UK Consumer Price Index[B]	23.88%	23.29%	18.66%	11.09%	8.33%
IA Mixed Investment 40-85% Shares Sector[C]	25.97%	15.27%	20.41%	42.95%	36.82%

[A] External Source of Economic Data: Morningstar (B Income - quoted price to quoted price, net income reinvested).
[B] Target benchmark. External Source of Economic Data: Morningstar.
[C] Comparator benchmark. External Source of Economic Data: Morningstar.
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

Over the six months of this report, to 31 August 2024, IFSL Wise Multi-Asset Income (the sub-fund) made a total return of +9.4% (B Income Shares). Over this time, we outperformed the Consumer Price Index (CPI), which measures inflation which rose by 1.5%. We also outperformed our comparator benchmark*, the IA Mixed Investment 40-85% Sector, which rose 5.7%. As per our objective, over 5 years and on a total return basis, the sub-fund has risen 39.7% compared to a rise of 23.9% for CPI, and ahead of the comparator benchmark, which has risen 26.0% over the same time period. The distribution per share for the six-month period fell 7% at 3.33p compared to 3.56p for the same period last year. This fall does not reflect our outlook for the dividend over the course of the full year, which we forecast to grow in line with CPI. Changes to the portfolio mean dividend payments in the second half of the sub-fund’s year (August to February) will be ahead of last year.

Market review

Investor expectations around the timing and quantum of interest rate cuts continued to dominate markets over the period. As time evolved, there was a notable shift in sentiment. Initial concerns over the persistence of inflationary pressures gradually subsided and were replaced towards the end of the period by worries that central banks might have kept interest rates too high for too long and now risked tipping economies into recession. Interest rates were cut in both the Eurozone and the UK with the Federal Reserve (Fed), the US central bank, giving investors a clear steer that there would be a cut in interest rates at their upcoming September meeting.

We started the period against a backdrop of stronger economic and inflation data than expected, pushing back optimistic hopes that meaningful interest rate cuts were imminent. Buoyant US jobs data and GDP (economic growth) growing faster than expected, coupled with unhelpfully strong core inflation data (after stripping out the more volatile components of food and energy) in the Eurozone, US and UK had already tempered growing hopes of an imminent end to the sharp increases in rates experienced over the prior 24 months. The strong economic data was particularly pronounced in the US and continued through until April, with Jerome Powell, Chairman of the Fed, stating it was likely to take longer than expected for inflation to return to their 2% target and so to justify future interest rate cuts. The stronger than expected data meant that investor expectations at the end of February of four 0.25% cuts in interest rates by the year end (2024) had reduced to less than two by the end of April. Whilst changes in interest rates most directly impact bond markets, movements are also keenly observed by equity investors as they both influence future expectations around economic growth and consequently corporate earnings as well as the rate used to discount back those future earnings to derive today’s estimate of value. Data highlighting changes to economic growth and inflation are carefully studied as they inform investor expectations of to where interest rates are likely to go. Over the summer months, investors drew some comfort that recent unhelpful inflation data in the US was no longer above expectations, and this was reinforced by more supportive news that showed the US labour market was finally showing some signs of cooling. At the same time, consumer confidence showed signs of weakening, suggesting the strength in consumer spending that had been a key driver of US GDP growth compared to Europe and the UK was no longer likely to be sustained. July saw a notable softening in language from the Fed around the prospect of interest rate cuts and markets concluded that a first rate cut in September was a near certainty. Commentary from members of Fed shifted away from the previous focus on fighting inflation towards a more balanced assessment of the risks to employment that a more restrictive monetary policy than necessary could cause. August witnessed levels of equity market volatility not seen since the depths of the Covid sell-off as markets started to worry that the Fed, having kept interest rates too high for too long, was at a greater risk of tipping the US economy into recession than delivering the soft-landing (an economic slowdown but not a severe recession) that had been expected since the start of the year.

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Investment commentary (continued)

Market review (continued)

Whereas the US has enjoyed relatively strong growth and expectations for full year growth have increased over the year, there has been a more subdued economic growth backdrop in the Eurozone and the UK. Consumers have been much more restrained in spending the savings built up over Covid and savings rates (the percentage of annual income saved) have stayed above historic norms as there has been more nervousness in the face of cost-of-living pressures and the more direct impact of the Ukraine/ Russia conflict on energy costs. Whilst growth forecasts for the year have steadily improved, notably in the UK, they remain well below the US. This divergence, however, looks set to narrow next year with economic growth predicted in the Eurozone and UK to increase year-on-year whilst the US is set to see growth moderate. Over the period, lower inflation allowed both the European Central Bank and the Bank of England, to cut rates once by 0.25%.

The picture of rising economic forecasts, inflation abating and central banks having started to cut interest rates or telegraphed that this was imminent was common across the Eurozone, UK and US economies. The picture in China and Japan, however, was slightly different. In Japan, monetary policy remains an outlier in that the level of interest rates remains extremely low. Interest rates started at -0.1% whilst strong wage growth of over 4% put increasing pressure on the Bank of Japan (BoJ) to return to a positive interest rate for the first time since 2015. As a result, the BoJ bucked the global trend and raised interest rates twice to 0.25%. The second rate rise in July was unexpected and had a significant impact on global markets coinciding as it did with signs that the US economy was slowing more than expected. In China, growth has not experienced the post-Covid recovery many were hoping for. Consumers are holding back as the housing market weakness is impacting confidence and businesses are reluctant to invest. Attempts to aggressively export its way out of its domestic problems are being met with an increase in trade tensions and tariffs from their US and EU trade partners.

In addition to this evolving economic backdrop, the period has seen significant political developments. 2024 is set to be an extraordinary year with around half the global population taking part in a national election. In the last six months, elections were held in India, Mexico and South Africa, as well as in the EU. Strong performance from the Marine Le Pen's National Rally Party in France led to a surprising snap election being called with ongoing uncertainty over the prospects for the appointed government. The UK saw the Labour Party win a landslide majority, largely as expected. Despite the threat of higher taxes, markets appear to have discounted a change in administration and international investors appear to welcome the political stability this should bring over the next five years. In the US, the outcome of the upcoming election remains finely balanced. The assassination attempt on Donald Trump, followed by the Democratic party's decision to unite around Vice-President Harris as an unopposed replacement for President Biden, has made the outcome of November's election a close call.

Global equity markets produced strong returns over the period helped by the benign backdrop of improving economic growth and the prospect of looser monetary policy. Helped by low valuations, improving investor sentiment and M&A (Mergers and Acquisitions), UK equities led the way whilst the continued strength in US equity markets was tempered for UK investors by the 4% fall in the value of the dollar against sterling. Although the six-month performance for equity markets globally looks strong, it belies the significant volatility seen in certain markets. This was most notably seen in the performance of US technology companies and the broader Japanese equity index in August. The unexpected decision by the BoJ to increase interest rates caused the Yen 'carry trade' to be unwound putting pressure on risk assets elsewhere. A carry trade is a foreign exchange trade in which investors borrow money in one currency at a low interest rate and use it to make investments in assets in another currency. In the Yen carry trade, traders have borrowed Yen at low interest rates and invested either in higher-interest-rate assets elsewhere or into equities where they saw an opportunity for capital gain. With higher borrowing costs and the prospect of lower returns, investors scrambled to unwind this trade, which saw Japanese equities falling more than 25% in July as well as US technology shares suffer a technical 'correction' (a fall of more than 10%). Bond markets produced steady returns in local currency terms with the higher interest rates enjoyed by corporate bonds and a benign backdrop for corporate profits meaning returns were stronger for corporate credit than for government bonds over the period.

Sub-fund performance review

The sub-fund delivered a strong return of 9.4% over the period. The best performance came from our UK equity funds, particularly from our investment trust managers focussed on investing into smaller companies at attractive valuations. Having been out of favour for some time, these funds benefitted from improving investor sentiment toward the UK, an increased level of M&A activity and a tightening of discounts (the difference between the share price and the net asset value) which were anomalously wide. Aberforth Smaller Companies, Fidelity Special Values and Man GLG Income all performed well as did our direct UK holding, Paragon Banking Group, which has seen continued operating momentum throughout the period translate into earnings and dividend forecast upgrades. This improved sentiment towards the UK and increased flows into UK equities also helped the performance of our investment trust holdings more broadly given they are listed on the UK stockmarket. Three quarters of the portfolio is invested in investment trusts and having lamented the widening of discounts across the investment trust sector in our latest annual report, it is encouraging to be able to report the anomalously wide discounts we reported at that point have in many cases narrowed. Our infrastructure names, notably Ecofin Global Utilities and Infrastructure, which invests into quoted equities and GCP Infrastructure, which invests mainly in loans to infrastructure businesses, both performed well and saw a meaningful reduction in discounts. Whilst these have now rebounded from unprecedentedly wide previous levels, it remains the case that the discounts on our broader allocation to the sector, including HICL infrastructure, International Public Partnerships and Pantheon Infrastructure remain extremely attractive and are now set relative to net asset values which reflect the higher interest rate environment. The discount tightening, however, was not uniformly felt across the

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Investment commentary (continued)

Sub-fund performance review (continued)

portfolio with the Twenty Four Income Fund and International Biotechnology Trust, for example, facing a headwind of discounts moving wider.

The broader backdrop of falling bond yields* and benign outlook for corporate credit helped the performance of our fixed income holdings, the Twenty Four Strategic Income Fund and the Twenty Four Income Fund. Our interest sensitive property holdings were meaningful contributors to performance although there were diverse drivers of return within our holdings. Impact Healthcare Reit, Empiric Student Property and Urban Logistics continue to enjoy strong occupational demand and increasing rents within the care home, student and industrial sectors respectively. This has translated into increased or stabilising net asset values against which discounts have narrowed. Helical and abrdn Property Income on the other hand have seen further falls in asset values although these fell well short of the extremely pessimistic levels implied by the discounts at the start of the period. Abrdn Property Income saw its proposed merger with Custodian Reit voted down in favour of a managed wind-down (sale) of its portfolio and announced in August it was assessing the potential sale of most of the portfolio in a single transaction, at a discount.

Despite the weak outlook for economic growth in China and mixed performance from the underlying commodities, our holdings in Blackrock World Mining and Blackrock Energy & Resources performed well. Increased M&A activity in the sector, a resilient copper price and strong performance from precious metals, notably gold, coupled with tighter discounts were sufficient to more than offset weaker iron ore and oil prices.

There were a limited number of detractors over the period. Our international equity funds, Schroder Global Equity Income and Murray International, delivered more muted returns, albeit positive. Similarly, our private equity holdings, ICG Enterprise and CT Private Equity made limited headway despite the broader backdrop of more positive performance from risk assets. The same was true for International Biotechnology Trust, where the discount widened despite rebounding confidence in the sector.

Portfolio activity

We actively recycled out of the strongest performing parts of the portfolio, taking profits in our equity funds and direct equity holdings which have performed strongly in the period. Within the UK we have taken profits in Aberforth Smaller Companies and Fidelity Special Values who enjoyed strong underlying performance but also saw their discounts reach the narrowest levels seen since 2021, when investors were enthused about a strong recovery in the domestic economy out of Covid. We partially reinvested into the Man GLG Income Fund, an open-ended unit trust, which maintained our exposure to the attractive valuations on offer within UK equities but without the risk that investment trust discounts reverse their recent tightening. Within our international equity funds, we exited our holding in Murray International following the departure of the manager and reduced our holding in abrdn Asian Income in order to fund a new holding in the Schroder Emerging Market Value fund. The fund is managed by the same team which manages the Schroder Global Equity Income fund that we already own and we believe the team’s process should deliver positive, differentiated returns in emerging markets.

The largest asset allocation change over the period was to increase our weighting in infrastructure. With longer dated government bond yields falling, the yields offered from infrastructure assets look increasingly attractive. The sector is exposed to defensive underlying assets and the boards have recognised the significant value on offer in their own shares, choosing to sell assets at or above book value, to reduce debt and committing to buy back shares at attractive discounts. As a result, we increased our holdings in GCP Infrastructure, Ecofin Global Utilities and Infrastructure and HICL Infrastructure in the period. In part this was funded by reducing our exposure to the more cyclical property sector where we reduced our holding in Urban Logistics and exited TR Property.

Investment outlook

Markets have become more nervous about the prospects for economic growth towards the period end, however, there are good reasons to believe this may be a moderate tempering of expectations rather than a collapse. The employment backdrop remains healthy on both sides of the Atlantic and strong balance sheets serve as buffers against downside risks for households and businesses. Governments are stepping up investment and financial institutions are mostly well positioned and ready to lend. However, the volatility markets experienced in August serve as a warning that central banks may not succeed in fighting inflation without a causing a recession. Concentrated portfolio positioning, notably towards a small handful of US technology names, are a risk for future global equity market returns. Whilst US market valuations are high in a historic context, the sub-fund is built around the more attractive valuations that exist among UK, European and emerging market equities. Bond markets are now discounting a series of interest rate cuts between now and the year end and risk disappointment if growth or inflation come in higher than expected. Nonetheless, yields remain high and give investors a cushion if central banks are unable to cut rates as aggressively as hoped. Against this backdrop we have further diversified the exposure of the sub-fund and maintain the discipline of recycling out of assets that have performed well. We are valuation focused and believe the discounts we can access via investment trusts provide an extra layer of valuation protection that should supplement returns for investors over the medium term. Finally, we believe the historic yield on the sub-fund of 5.1% remains attractive, is well diversified by source of income and has the capacity to grow as per our objective in line with inflation over the medium term (rolling 5 year periods).

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for the six month period ended 31 August 2024

Investment commentary (continued)

Investment outlook (continued)

As always, I would like to take this opportunity to thank our investors for their ongoing support. The whole Wise Funds team is at your disposal should you have any questions or would like to talk to us.

Philip Matthews
Wise Funds Limited
13 September 2024

Explanation of terms*

Benchmark – used for comparative purposes.
Yield - the income from an investment, usually stated as a percentage of the value of the investment.

Distributions

	Year 2024	Year 2023	Year 2022	Year 2021
B Income (pence per share)				
Net income paid 31 January	0.5074	0.3349	0.3403	0.2813
Net income paid last day of February	0.2947	0.3731	0.2571	0.2384
Net income paid 31 March	0.4779	0.5202	0.6196	0.4836
Net income paid 30 April	0.7422	0.6555	0.3565	0.1921
Net income paid 31 May	0.3653	0.5569	0.4604	0.4512
Net income paid 30 June	0.9123	1.0237	0.9509	1.0455
Net income paid 31 July	0.4586	0.3043	0.3493	0.4529
Net income paid 31 August	0.3201	0.3651	0.3469	0.1049
Net income paid 30 September	0.7209	0.7091	0.5724	0.6028
Net income paid 31 October	0.5485	0.5987	0.5640	0.7438
Net income paid 30 November		0.3251	0.3471	0.2593
Net income paid 31 December		0.3906	0.3557	0.3936
B Accumulation (pence per share)				
Net accumulation paid 31 January	1.2900	0.8070	0.7841	0.6220
Net accumulation paid last day of February	0.7533	0.9023	0.5944	0.5267
Net accumulation paid 31 March	1.2231	1.2608	1.4358	1.0719
Net accumulation paid 30 April	1.9067	1.5963	0.8294	0.4277
Net accumulation paid 31 May	0.9448	1.3630	1.0750	1.0061
Net accumulation paid 30 June	2.3664	2.5176	2.2281	2.3396
Net accumulation paid 31 July	1.1989	0.7547	0.8205	1.0202
Net accumulation paid 31 August	0.8401	0.9087	0.8218	0.2378
Net accumulation paid 30 September	1.8963	1.7680	1.3587	1.3668
Net accumulation paid 31 October	1.4488	1.5097	1.3431	1.6947
Net accumulation paid 30 November		0.8197	0.8305	0.5945
Net accumulation paid 31 December		0.9890	0.8550	0.9040
W Income (pence per share)				
Net income paid 31 January	0.5155	0.3389	0.3448	0.2838
Net income paid last day of February	0.2970	0.3787	0.2606	0.2417
Net income paid 31 March	0.4864	0.5280	0.6284	0.4855
Net income paid 30 April	0.7559	0.6669	0.3614	0.1967
Net income paid 31 May	0.3723	0.5658	0.4669	0.4543
Net income paid 30 June	0.9289	1.0403	0.9643	1.0601
Net income paid 31 July	0.4673	0.3093	0.3569	0.4571
Net income paid 31 August	0.3263	0.3712	0.3520	0.1002
Net income paid 30 September	0.7349	0.7200	0.5806	0.6181
Net income paid 31 October	0.5594	0.6055	0.5751	0.7535
Net income paid 30 November		0.3327	0.3527	0.2624
Net income paid 31 December		0.3973	0.3613	0.3987

AUTHORISED INVESTMENT MANAGER'S REPORT
for the six month period ended 31 August 2024

Distributions (continued)

	Year 2024	Year 2023	Year 2022	Year 2021
W Accumulation (pence per share)				
Net accumulation paid 31 January	1.3103	0.8199	0.7937	0.6249
Net accumulation paid last day of February	0.7659	0.9152	0.6014	0.5310
Net accumulation paid 31 March	1.2434	1.2789	1.4522	1.0717
Net accumulation paid 30 April	1.9395	1.6191	0.8397	0.4387
Net accumulation paid 31 May	0.9613	1.3832	1.0883	1.0116
Net accumulation paid 30 June	2.4055	2.5551	2.2566	2.3672
Net accumulation paid 31 July	1.2200	0.7659	0.8339	1.0266
Net accumulation paid 31 August	0.8551	0.9224	0.8316	0.2265
Net accumulation paid 30 September	1.9307	1.7989	1.3760	1.3994
Net accumulation paid 31 October	1.4752	1.5293	1.3645	1.7148
Net accumulation paid 30 November		0.8327	0.8431	0.6005
Net accumulation paid 31 December		1.0048	0.8662	0.9143

Portfolio changes

Purchases	Cost (£)
Man GLG UK Income 'D'	1,256,129
Schroder Emerging Markets Value 'L' GBP Income	1,246,927
GCP Infrastructure Investments	654,683
Pantheon Infrastructure	472,455
ICG Enterprise Trust	385,953
Ecofin Global Utilities and Infrastructure Trust	371,070
HICL Infrastructure	363,919
International Biotechnology Trust	320,809
Total purchases for the period	5,071,945

Largest sales	Proceeds (£)
Aberforth Smaller Companies Trust	1,707,913
Fidelity Special Values	1,455,324
Urban Logistics REIT	1,398,461
Polar Capital Global Financials Trust	1,277,135
TR Property Investment Trust	919,140
Vontobel TwentyFour Strategic Income 'AQG' GBP	862,954
abrdn Asian Income Fund	815,188
Paragon Banking Group	797,355
Murray International Trust	743,985
Man GLG UK Income 'D'	562,302
Other sales	3,052,085
Total sales for the period	13,591,842

IFSL WISE FUNDS
IFSL WISE MULTI-ASSET INCOME

COMPARATIVE TABLE

B Income shares **Change in net assets per share**	**Period to 31.08.2024 pence**	**Year to 29.02.2024 pence**	**Year to 28.02.2023 pence**	**Year to 28.02.2022 pence**
Opening net asset value per share	114.02	120.91	123.57	111.30
Return before operating charges*	11.46	0.43	4.26	19.00
Operating charges	(0.63)	(1.02)	(1.09)	(1.10)
Return after operating charges*	10.83	(0.59)	3.17	17.90
Distributions on income shares	(3.33)	(6.30)	(5.83)	(5.63)
Closing net asset value per share	121.52	114.02	120.91	123.57
* after direct transaction costs of:	0.04	0.16	0.13	0.15
Performance				
Return after charges[A]	9.50%	(0.49)%	2.57%	16.08%
Other information				
Closing net asset value (£)	21,110,431	21,216,840	25,775,495	23,742,743
Closing number of shares	17,372,437	18,608,515	21,318,609	19,214,092
Operating charges	1.05%[B,C]	1.01%[B]	1.75%	0.96%
Direct transaction costs	0.06%[C]	0.14%	0.10%	0.12%
Prices (pence per share)				
Highest share price	124.46	122.91	130.86	131.78
Lowest share price	114.99	104.86	107.28	113.25

B Accumulation shares **Change in net assets per share**	**Period to 31.08.2024 pence**	**Year to 29.02.2024 pence**	**Year to 28.02.2023 pence**	**Year to 28.02.2022 pence**
Opening net asset value per share	294.86	295.91	288.33	248.14
Return before operating charges*	29.80	1.52	10.19	42.71
Operating charges	(1.65)	(2.57)	(2.61)	(2.52)
Return after operating charges*	28.15	(1.05)	7.58	40.19
Distributions on accumulation shares	(8.70)	(15.80)	(13.90)	(12.81)
Retained distributions on accumulation shares	8.70	15.80	13.90	12.81
Closing net asset value per share	323.01	294.86	295.91	288.33
* after direct transaction costs of:	0.11	0.40	0.30	0.35
Performance				
Return after charges[A]	9.55%	(0.35)%	2.63%	16.20%
Other information				
Closing net asset value (£)	19,082,805	19,397,430	23,963,649	21,270,467
Closing number of shares	5,907,717	6,578,587	8,098,154	7,377,225
Operating charges	1.05%[B,C]	1.01%[B]	1.75%	0.96%
Direct transaction costs	0.06%[C]	0.14%	0.10%	0.12%
Prices				
Highest share price	328.26	305.63	306.61	305.14
Lowest share price	297.32	265.51	257.73	252.51

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

[B] 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.

[C] These figures have been annualised.

COMPARATIVE TABLE

W Income shares **Change in net assets per share**	**Period to 31.08.2024 pence**	**Year to 29.02.2024 pence**	**Year to 28.02.2023 pence**	**Year to 28.02.2022 pence**
Opening net asset value per share	116.14	122.83	125.29	112.62
Return before operating charges*	11.68	0.46	4.26	19.18
Operating charges	(0.49)	(0.75)	(0.80)	(0.81)
Return after operating charges*	11.19	(0.29)	3.46	18.37
Distributions on income shares	(3.39)	(6.40)	(5.92)	(5.70)
Closing net asset value per share	123.94	116.14	122.83	125.29
* after direct transaction costs of:	0.04	0.16	0.13	0.15
Performance				
Return after charges[A]	9.63%	(0.24)%	2.76%	16.31%
Other information				
Closing net asset value (£)	12,432,924	15,755,190	25,357,487	29,017,789
Closing number of shares	10,031,314	13,565,328	20,644,219	23,160,038
Operating charges	0.80%[B,C]	0.76%[B]	1.50%	0.71%
Direct transaction costs	0.06%[C]	0.14%	1.50%	0.12%
Prices (pence per share)				
Highest share price	126.91	124.87	132.73	133.58
Lowest share price	117.13	106.67	108.91	114.59

W Accumulation shares **Change in net assets per share**	**Period to 31.08.2024 pence**	**Year to 29.02.2024 pence**	**Year to 28.02.2023 pence**	**Year to 28.02.2022 pence**
Opening net asset value per share	299.91	300.24	291.92	250.71
Return before operating charges*	30.33	1.55	10.23	43.05
Operating charges	(1.28)	(1.88)	(1.91)	(1.84)
Return after operating charges*	29.05	(0.33)	8.32	41.21
Distributions on accumulation shares	(8.85)	(16.05)	(14.09)	(12.95)
Retained distributions on accumulation shares	8.85	16.05	14.09	12.95
Closing net asset value per share	328.96	299.91	300.24	291.92
* after direct transaction costs of:	0.11	0.40	0.31	0.35
Performance				
Return after charges[A]	9.69%	(0.11)%	2.85%	16.44%
Other information				
Closing net asset value (£)	7,278,597	8,440,398	10,523,679	10,650,804
Closing number of shares	2,212,594	2,814,326	3,505,133	3,648,580
Operating charges	0.80%[B,C]	0.76%[B]	1.50%	0.71%
Direct transaction costs	0.06%[C]	0.14%	0.10%	0.12%
Prices				
Highest share price	334.23	310.74	310.51	308.87
Lowest share price	302.41	269.75	261.30	255.13

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

[B] 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.

[C] 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 share class in the period. Where it is considered unsuitable to use the total expenses paid by each share class in the period to calculate the OCF because of material changes to the sub-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 sub-fund. These amounts are expressed as a percentage of the average net asset value over the period and the average shares in issue for the pence per share figures.

SYNTHETIC RISK AND REWARD INDICATOR

Lower risk						Higher risk
Typically lower rewards						Typically higher rewards
1	2	3	4	**5**	6	7

The synthetic risk and reward indicator above aims to provide you with an indication of the overall risk and reward profile of the sub-fund. It is calculated based on the volatility of the sub-fund using weekly historic returns over the last five years. If five years data is not available for a sub-fund, the returns of a representative portfolio are used.

The sub-fund has been measured as 5 because it has experienced moderate to high volatility historically. During the period the synthetic risk and reward indicator has remained unchanged.

PORTFOLIO STATEMENT
as at 31 August 2024

Holding or nominal value		Bid value £	Percentage of total net assets %
	ASIA EQUITY (29 February 2024 - 4.00%)		
904,964	abrdn Asian Income Fund	1,918,524	3.20
	Total Asia Equity	1,918,524	3.20
	EMERGING MARKETS EQUITY (29 February 2024 - Nil)		
2,451,805	Schroder Emerging Markets Value 'L' GBP Income	1,222,715	2.04
	Total Emerging Markets Equity	1,222,715	2.04
	INTERNATIONAL EQUITY (29 February 2024 - 7.23%)		
3,279,588	Schroder Global Equity Income 'Z' GBP	3,535,395	5.90
	Total International Equity	3,535,395	5.90
	NORTH AMERICA EQUITY (29 February 2024 - 3.53%)		
2,294,212	Middlefield Canadian Income Trust	2,454,807	4.10
	Total North America Equity	2,454,807	4.10
	UK EQUITY (29 February 2024 - 12.02%)		
179,747	Aberforth Smaller Companies Trust	2,893,927	4.83
431,339	Fidelity Special Values	1,401,852	2.34
1,811,526	Man GLG UK Income 'D'	2,472,733	4.13
	Total UK Equity	6,768,512	11.30
	SPECIALIST - FINANCIALS (29 February 2024 - 10.47%)		
810,172	Legal & General Group	1,819,646	3.04
122,869	Paragon Banking Group	953,463	1.59
1,006,362	Polar Capital Global Financials Trust	1,749,057	2.92
	Total Specialist - Financials	4,522,166	7.55
	SPECIALIST - HEALTHCARE (29 February 2024 - 2.66%)		
287,941	International Biotechnology Trust	1,963,758	3.28
	Total Specialist - Healthcare	1,963,758	3.28
	SPECIALIST - RESOURCES (29 February 2024 - 7.88%)		
2,502,469	BlackRock Energy and Resources Income Trust	2,852,815	4.76
412,532	BlackRock World Mining Trust	2,182,294	3.64
	Total Specialist - Resources	5,035,109	8.40
	PRIVATE EQUITY (29 February 2024 - 5.82%)		
523,065	CT Private Equity Trust	2,374,715	3.96
118,496	ICG Enterprise Trust	1,445,651	2.41
	Total Private Equity	3,820,366	6.37
	PROPERTY (29 February 2024 - 13.51%)		
5,883,956	abrdn Property Income Trust	3,265,596	5.45
1,116,156	Empiric Student Property	1,084,904	1.81
442,414	Helical	962,250	1.61
827,360	Impact Healthcare REIT	732,214	1.22
701,519	Urban Logistics REIT	836,211	1.40
	Total Property	6,881,175	11.49
	INFRASTRUCTURE (29 February 2024 - 14.80%)		
1,865,429	Ecofin Global Utilities and Infrastructure Trust	3,423,062	5.72
2,760,324	HICL Infrastructure	3,505,612	5.85
2,268,832	International Public Partnerships	2,885,954	4.82
1,835,613	Pantheon Infrastructure	1,468,490	2.45
	Total Infrastructure	11,283,118	18.84

PORTFOLIO STATEMENT
as at 31 August 2024

Holding or nominal value		Bid value £	Percentage of total net assets %
	FIXED INCOME (29 February 2024 - 15.83%)		
2,595,510	GCP Infrastructure Investments	2,063,431	3.44
3,464,085	TwentyFour Income Fund	3,616,505	6.04
41,903	Vontobel TwentyFour Strategic Income 'AQG' GBP	4,001,312	6.68
	Total Fixed Income	9,681,248	16.16
	Portfolio of investments	59,086,893	98.63
	Net other assets	817,864	1.37
	Total net assets	59,904,757	100.00

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

PORTFOLIO TRANSACTIONS

for the six month period ended 31 August 2024	£
Total purchases costs, including transaction charges	5,071,945
Total sales proceeds, net of transaction charges	13,591,842

STATEMENT OF TOTAL RETURN
for the six month period ended 31 August 2024

	31 August 2024		31 August 2023	
	£	£	£	£
Income:				
Net capital gains/(losses)		4,259,441		(6,126,365)
Revenue	1,872,192		2,701,975	
Expenses	(258,643)		(322,524)	
Net revenue before taxation	1,613,549		2,379,451	
Taxation	-		-	
Net revenue after taxation		1,613,549		2,379,451
Total return before distributions		5,872,990		(3,746,914)
Distributions		(1,751,572)		(2,513,511)
Change in net assets attributable to shareholders from investment activities		4,121,418		(6,260,425)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS
for the six month period ended 31 August 2024

	31 August 2024		31 August 2023	
	£	£	£	£
Opening net assets attributable to shareholders		[A] 64,809,858		85,704,974
Amounts receivable on issue of shares	2,015,954		8,475,140	
Amounts payable on cancellation of shares	(11,784,078)		(9,597,140)	
		(9,768,124)		(1,122,000)
Change in net assets attributable to shareholders from investment activities		4,121,418		(6,260,425)
Retained distribution on accumulation shares		746,022		997,641
Unclaimed distributions		(4,417)		-
Closing net assets attributable to shareholders		59,904,757		[A] 79,320,190

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

BALANCE SHEET
as at 31 August 2024

	31 August 2024	29 February 2024
	£	£
Assets:		
Fixed Assets:		
Investments	59,086,893	63,348,962
Current Assets:		
Debtors	273,765	606,324
Cash and bank balances	1,464,320	2,009,565
Total assets	60,824,978	65,964,851
Liabilities:		
Creditors:		
Distribution payable on income shares	356,403	399,158
Other creditors	563,818	755,835
Total liabilities	920,221	1,154,993
Net assets attributable to shareholders	59,904,757	64,809,858

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