

# Trojan Investment Funds

INTERIM UNAUDITED REPORT AND FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED 31 JULY 2023



**Trojan Fund**

**Trojan Ethical Fund**

**Trojan Ethical Global Income Fund**

**Trojan Ethical Income Fund**

**Trojan Global Income Fund**

**Trojan Global Equity Fund**

**Trojan Income Fund**

**Crystal Fund**

## AUTHORISED CORPORATE DIRECTOR ('ACD')

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(Authorised and regulated by the Financial Conduct Authority)

## DIRECTORS OF THE ACD

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B. Hammond  
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A.G. Reid\*  
A.J. Stuart\*  
E.E. Tracey\*

## INVESTMENT MANAGER

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### TROY ASSET MANAGEMENT LIMITED

33 Davies Street  
London  
W1K 4BP  
(Authorised and regulated by the Financial Conduct Authority)

## DEPOSITARY

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## REGISTRAR

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## INDEPENDENT AUDITOR

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### ERNST & YOUNG LLP

Atria One  
144 Morrison Street  
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(Chartered Accountants)

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\* Non-Executive Directors of the ACD.

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## ACD'S REPORT

for the half year ended 31 July 2023

### Authorised Status

Trojan Investment Funds ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000280 and authorised by the Financial Conduct Authority ('FCA') with effect from 14 November 2003. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

The Company is a UK UCITS and the base currency of the Company and each sub-fund is pounds sterling.

### ACD's Statement

#### Proposed Sale of Fund Solutions Business

On 20 April 2023 Link Group announced the sale of the Fund Solutions Business ('FS Business') and that certain subsidiaries of Link Group, including Link Fund Solutions Limited ('LFSL'), entered into sale agreements with entities within the Waystone Group pursuant to which Link Group companies have agreed to sell to the Waystone Group: (i) the business and certain assets of LFSL; (ii) the business and certain assets of Link Fund Manager Solutions (Ireland) Limited (LFMS(I)L); and (iii) the entire issued share capital of certain other subsidiaries of Link Group, which together with the business of LFSL and LFMS(I)L comprise the FS Business (other than its Luxembourg and Swiss entities), but excluding Woodford related liabilities and, subject to normalised working capital adjustments, on a debt and cash free basis. The sale is conditional on various matters, including receipt of certain regulatory approvals, notices and consents from the FCA and the Central Bank of Ireland, anti-trust approval from the Competition and Consumer Protection Commission of Ireland and no in-depth investigation of the sale by the UK Competition and Markets Authority. It is possible that Irish foreign investment approval may also be needed depending on whether a foreign investment regime is introduced in Ireland before completion of the sale and the parties agree a filing is required. On the 15 September 2023, Link Group announced that it had now received all necessary regulatory approvals for the sale and the transaction remains on track to complete in October 2023.

The sale is also conditional on contracts representing a significant majority of revenue in respect of LFSL's ACD business and LFMS(I)L's business being transferred to the Waystone Group and consent having been received from certain third parties in respect of the transfer of their business to the Waystone Group. The Waystone Group, LFSL and LFMS(I)L have agreed to work to achieve those and other conditions. The sale is not contingent on the Scheme or the Settlement becoming unconditional. The sale is targeted to complete by October 2023.

The above proposed changes will not impact either the ongoing management of the Company nor its continuing viability. Investors will be notified, assuming the proposed changes conclude satisfactorily, in due course on the timing of the transfer of the Company to Waystone Group.

## ACD'S REPORT *continued*

### Economic Uncertainty

Whilst the outbreak of COVID-19 in March 2020 now seems a distant memory, and Russia's incursion into Ukraine in February 2022 remains an unresolved conflict, the consequences of these and other factors continue to be felt in both the domestic and global economy. Significant increases in the prices of energy and commodities have reverberated around the world, leading to many countries seeing inflation rates at levels not seen for many years. To curb the increase in inflation, many nations' central banks have been progressively increasing interest rates, a process which is expected to continue until inflation is brought under control in their respective countries. What is not clear at this time is whether the consequences of these events will culminate in local, or even a global, recession. With this level of economic uncertainty, it is reasonably foreseeable that markets may see further periods of instability and, consequently, volatility in asset pricing.

### Important Information

With effect from 28 July 2023, the Investment Manager's registered address changed to 33 Davies Street, London W1K 4BP.

### Cross Holdings

No sub-funds had holdings in any other sub-fund of the Company at the end of the period.

### Securities Financing Transactions

The Company has the ability to utilise Securities Financing Transactions (being transactions such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions). No such transactions have been undertaken in the period covered by this report.

### Task Force on Climate-related Financial Disclosures ('TCFD')

In accordance with current Financial Conduct Authority rules, the ACD is required to publish its own TCFD report and that of each fund. The LFSL report can be found at TCFD Reporting ([linkfundsolutions.co.uk](https://linkfundsolutions.co.uk)) and the report of the sub-funds of the Company can be found at <https://www.linkfundsolutions.co.uk/uk/troy-asset-management-limited/trojan-investment-funds/>.

Prior to accessing the report of the sub-funds of the Company there is a link to the 'TCFD Reporting Guide' which provides an explanation of the TCFD report.

### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Investment Funds  
28 September 2023

## 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.

N. BOYLING

LINK FUND SOLUTIONS LIMITED

ACD of Trojan Investment Funds

28 September 2023

## TROJAN FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Fund ('the Fund') is to seek to achieve growth in capital (net of fees), ahead of inflation (UK Retail Prices Index), over the longer term (5 to 7 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The Fund has flexibility to invest globally in the following asset classes: government and public securities (such as sovereign debt and treasury bills), corporate bonds, equities and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities), private equity, precious metals, cash, cash equivalents (including money-market instruments) and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts and other transferable securities such as exchange traded commodities. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to precious metals will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

The Fund has no particular geographic focus.

Exposure to asset classes will be varied and at times the Fund may have no exposure to a particular asset class. At times less than 50% of the Fund's portfolio may be invested in assets that are subject to the Investment Manager's Climate Change Mitigation Policy.

### Benchmarks

The Fund's target benchmark is the UK Retail Prices Index.

The Fund's comparator benchmarks are the UK Official Bank Rate and the FTSE All-Share Index (Total Return).

## TROJAN FUND

### ACD'S REPORT *continued*

#### Benchmarks *continued*

The UK Retail Prices Index has been selected as the Fund's target return benchmark as the Fund aims to achieve a return (the money made or lost on an investment) that is above the rate of inflation. The UK Retail Prices Index is used to measure the rate of inflation. Please refer to the Fund's investment objective for detail regarding how achievement of the target return benchmark is measured, and over what time period.

In addition to the target return benchmark, the Fund's performance may also be compared against the following benchmarks (referred to as 'comparator benchmarks'): FTSE All-Share Index (Total Return) is used as a comparator which may assist investors in evaluating the Fund's performance against GBP equity returns. The Fund also uses the UK Official Bank Rate as a comparator which may assist investors in evaluating the Fund's performance when compared with returns available from cash. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Fund  
28 September 2023



## TROJAN FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Market Review

During the period the Fund's O Accumulation share class returned +0.3% (total return), the FTSE All-Share Index (Total Return) returned +0.8%. The UK Retail Price Index rose 3.9% and the Bank of UK Official Bank Rate was +2.2%.

The Fund began and finished the reporting period with a defensive asset allocation reflecting our view that markets have become more fragile given high equity valuations and the potential for higher interest rates to detrimentally impact corporate earnings.

Markets started the year in bullish mood with a reversal of the selling we witnessed throughout 2022. In general, equity valuations fell last year but didn't decline to levels that reflected the potential for recession. In our view, investor expectations remain too high.

This view was reinforced in March as the financial system creaked under the strain of higher interest rates. We witnessed the largest banking failure since the financial crisis, in the form of Silicon Valley Bank (SVB) in the US, and the swift demise of Credit Suisse in Europe. The Swiss bank was bought by UBS for CHF3.2bn, approximately 97% below the value it traded at 15 years ago. These were not the first rumblings of trouble. The UK's liability-driven investment (LDI) chaos last autumn was a hint of what happens when you have the fastest rate hiking cycle in decades. It was no surprise to see banks tighten lending standards in the wake of these events. This will make life a lot harder for sectors of the economy reliant on bank lending. Small businesses and commercial real estate are areas of particular risk. Funding difficulties for both will also have ramifications for the economy as a whole.

Despite these warning signs, consumers and businesses overall appear to be in rude health, with little visible impact from ever-higher interest rates. Several companies raised prices by double-digit percentages, with volumes remaining relatively unchanged compared to a year earlier, although we question how sustainable this is. In the US these severe price rises, needed to offset cost pressures and staff wage rises, are incompatible with the Federal Reserve's ('the Fed') goal to tame inflation.

Despite these and other evidence of inflationary pressures, investors expected the Fed to begin cutting interest rates toward the end of the summer and to continue this trend into next year. We are concerned that if the Fed begins to reduce rates substantially, it will not necessarily be good news for stock markets as it would likely reflect a rapidly slowing economy.

For investors, there are two important factors that require consideration. These are the ongoing effects of tighter monetary policy and the fact that the market's performance is being driven by only a handful of stocks. The latter is not uncommon in a bear market. As we head into an economic downturn, investors coalesce around an ever-smaller number of successful growth stocks. In the UK in 1989, it was Glaxo and Guinness (now Diageo); fund managers not holding these two stocks underperformed. In 2000, after the dot-com bubble burst, investors huddled around the safety of Cisco, IBM, Lucent and Intel. In the US in

## TROJAN FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

2023, it is large-cap tech stocks once more, with many shares reversing some of their 2022 losses. These are examples of stock market bubbles reigniting after periods of speculation and echoing what came before, rather than what might lie ahead. The narrower the stock market leadership, the less healthy the prospect for the wider market.

Gold represented 11% of the Fund at the end of July and declined -4% in sterling terms in the period under review. Nevertheless, gold hit an all-time high, in sterling terms, of £1,632 during the banking crisis in March, highlighting its credentials as a safe haven asset during times of trouble.

#### Portfolio

Portfolio turnover remained modest during the period under review.

Microsoft, Alphabet and Visa were reduced and Heineken was added to the Fund.

Heineken's shares have been dull, and the valuation now sits around the same level as its 2020 low. This follows difficult macroeconomic conditions in some of the company's emerging markets, in particular Vietnam. We have been following the business for many years and met with Heineken's CEO and CFO in March. This confirmed our enthusiasm for the business, which operates in the growing premium segment of the attractive beer category, with a strong portfolio of brands distributed over an attractively diversified range of geographic exposures. Around 70% of its profits come from fast-growing emerging markets. Current management are still early on in their tenure and are bringing renewed dynamism to the company's productivity, pricing and digitisation efforts. This combines with the company's long-term approach to capital allocation, supported by family ownership, and should lead to attractive value creation over the long run.

The duration of the portfolio's US Treasury Inflation-Protected Securities (TIPS) was modestly extended, by approximately half a year, to reflect the more attractive real yields on offer. We also added short-dated UK government bonds, yielding in excess of 5%, to the portfolio as stickier than expected inflation caused bond yields to rise.

#### Outlook

For the first time in 15 years savers are offered an acceptable risk-free rate. We can certainly see the appeal of short-dated UK government bonds yielding over 5% in the short term, although we are steering clear of corporate debt because credit spreads tend to widen in a downturn. Short-term yields today are at their most attractive relative to the earnings yields on equities since 2000 or 2007 – neither were great times to buy stocks. Short-dated bonds are liquid and provide flexibility for our asset allocation purposes, giving us dry powder.

In the longer term, we look to increase exposure to real assets, not nominal ones. We have the flexibility and the proven ability to asset allocate. In times of distress, as in 2008 and again in 2020, we have lent in and been prepared to take more risk, materially increasing exposure to equities. However, when it comes

## TROJAN FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

to positioning the portfolio cautiously in advance of an expected downturn, it is essential that we are early rather than late. This is how we succeeded in protecting capital in 2001-2, 2007-9 and in 2020. We never want to be selling into a falling market. That is when we need to be buying. We feel strongly that strategic asset allocation will once more come to the fore. Combined with a bias towards the shares of better-quality companies, this has driven our long-term returns to-date. And we are ready to act when the opportunities present themselves.

In this context, we were recently asked about the attractions of a one-year fixed deposit. However seductive the interest rate offered, we do not think that tying up capital just now holds much appeal. In current conditions one should retain as much flexibility as possible. Today there is a likelihood that asset prices predicated on zero rates will be repriced to pre-financial crisis levels. The good news is that investors are being paid to wait.

### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## TROJAN FUND ACD'S REPORT *continued* FUND INFORMATION

### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Alternative Investment Risk:** The Fund may invest in other investment vehicles to gain indirect exposure to alternative investments, such as precious metals and private equity. Exposure to such investments can involve a higher degree of risk that may increase the risk of investment loss. The performance of such vehicles can be volatile and there is a risk that investors may experience a delay in receiving redemption proceeds.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

**O INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	310.05	312.61	282.12	270.41
Return before operating charges*	1.62	1.37	33.56	15.25
Operating charges	(1.57)	(3.14)	(3.07)	(2.82)
Return after operating charges	0.05	(1.77)	30.49	12.43
Distributions	-	(0.79)	-	(0.72)
Closing net asset value per share	310.10	310.05	312.61	282.12
* after direct transaction costs of:	0.01	0.03	0.02	0.08

**PERFORMANCE**

Return after charges	0.02%	(0.57)%	10.81%	4.60%
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**OTHER INFORMATION**

Closing net asset value (£'000)	252,382	283,892	317,909	332,381
Closing number of shares	81,387,734	91,562,941	101,696,260	117,813,442
Operating charges	1.01%	1.01%	1.01%	1.01%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	315.35	321.40	321.84	289.18
Lowest share price	305.36	302.56	278.50	249.13

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	384.03	386.21	348.55	333.23
Return before operating charges*	2.00	1.70	41.45	18.80
Operating charges	(1.95)	(3.88)	(3.79)	(3.48)
Return after operating charges	0.05	(2.18)	37.66	15.32
Distributions	-	(0.98)	-	(0.89)
Retained distributions on accumulation shares	-	0.98	-	0.89
Closing net asset value per share	384.08	384.03	386.21	348.55
* after direct transaction costs of:	0.01	0.03	0.02	0.10

**PERFORMANCE**

Return after charges	0.01%	(0.56)%	10.80%	4.60%
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**OTHER INFORMATION**

Closing net asset value (£'000)	1,081,975	1,124,832	958,366	916,265
Closing number of shares	281,702,166	292,902,521	248,147,099	262,879,034
Operating charges	1.01%	1.01%	1.01%	1.01%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	390.59	397.07	397.61	357.10
Lowest share price	378.22	373.80	344.07	307.00

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	304.43	307.69	279.08	268.15
Return before operating charges*	1.61	1.36	33.14	15.10
Operating charges	(2.31)	(4.62)	(4.53)	(4.17)
Return after operating charges	(0.70)	(3.26)	28.61	10.93
Distributions	-	-	-	-
Closing net asset value per share	303.73	304.43	307.69	279.08
* after direct transaction costs of:	0.01	0.03	0.02	0.08

**PERFORMANCE**

Return after charges	(0.23)%	(1.06)%	10.25%	4.08%
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**OTHER INFORMATION**

Closing net asset value (£'000)	1,418	4,712	4,833	4,770
Closing number of shares	466,745	1,547,702	1,570,579	1,709,207
Operating charges	1.51%	1.51%	1.51%	1.51%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	309.30	316.09	317.11	286.25
Lowest share price	299.17	297.24	275.38	246.87

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	356.57	360.39	326.88	314.08
Return before operating charges*	1.87	1.59	38.81	17.69
Operating charges	(2.70)	(5.41)	(5.30)	(4.89)
Return after operating charges	(0.83)	(3.82)	33.51	12.80
Distributions	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	355.74	356.57	360.39	326.88
* after direct transaction costs of:	0.01	0.03	0.02	0.09

**PERFORMANCE**

Return after charges	(0.23)%	(1.06)%	10.25%	4.08%
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**OTHER INFORMATION**

Closing net asset value (£'000)	45,474	75,517	72,398	67,932
Closing number of shares	12,782,978	21,178,634	20,088,515	20,781,809
Operating charges	1.51%	1.51%	1.51%	1.51%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	362.27	370.23	371.42	335.28
Lowest share price	350.41	348.16	322.55	289.14



**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES****(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	310.49	313.05	282.38	270.65
Return before operating charges*	1.62	1.39	33.60	15.27
Operating charges	(1.19)	(2.37)	(2.31)	(2.12)
Return after operating charges	0.43	(0.98)	31.29	13.15
Distributions	–	(1.58)	(0.62)	(1.42)
Closing net asset value per share	310.92	310.49	313.05	282.38
* after direct transaction costs of:	0.01	0.03	0.02	0.08

**PERFORMANCE**

Return after charges	0.14%	(0.31)%	11.08%	4.86%
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**OTHER INFORMATION**

Closing net asset value (£'000)	208,936	246,658	272,315	346,941
Closing number of shares	67,198,752	79,441,825	86,987,472	122,863,216
Operating charges	0.76%	0.76%	0.76%	0.76%
Direct transaction costs	–	0.01%	0.01%	0.03%

**PRICES**

Highest share price	315.97	321.98	322.77	289.65
Lowest share price	306.13	303.27	278.80	249.43

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	399.64	400.91	360.91	344.19
Return before operating charges*	2.09	1.77	42.96	19.43
Operating charges	(1.53)	(3.04)	(2.96)	(2.71)
Return after operating charges	0.56	(1.27)	40.00	16.72
Distributions	-	(2.02)	(0.80)	(1.81)
Retained distributions on accumulation shares	-	2.02	0.80	1.81
Closing net asset value per share	400.20	399.64	400.91	360.91
* after direct transaction costs of:	0.01	0.04	0.02	0.10

**PERFORMANCE**

Return after charges	0.14%	(0.32)%	11.08%	4.86%
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**OTHER INFORMATION**

Closing net asset value (£'000)	168,931	119,657	106,316	90,365
Closing number of shares	42,212,061	29,940,922	26,518,899	25,037,930
Operating charges	0.76%	0.76%	0.76%	0.76%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	406.70	412.35	412.53	369.56
Lowest share price	394.03	388.39	356.34	317.21

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	124.67	125.70	113.39	108.68
Return before operating charges*	0.65	0.56	13.49	6.14
Operating charges	(0.54)	(1.08)	(1.05)	(0.97)
Return after operating charges	0.11	(0.52)	12.44	5.17
Distributions	-	(0.51)	(0.13)	(0.46)
Closing net asset value per share	124.78	124.67	125.70	113.39
* after direct transaction costs of:	-	0.01	0.01	0.03

**PERFORMANCE**

Return after charges	0.09%	(0.41)%	10.97%	4.76%
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**OTHER INFORMATION**

Closing net asset value (£'000)	2,153,012	2,423,365	2,341,147	1,947,237
Closing number of shares	1,725,395,123	1,943,789,468	1,862,473,677	1,717,314,630
Operating charges	0.86%	0.86%	0.86%	0.86%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	126.85	129.27	129.50	116.27
Lowest share price	122.87	121.73	111.94	100.15

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	127.91	128.45	115.75	110.49
Return before operating charges*	0.67	0.56	13.77	6.24
Operating charges	(0.55)	(1.10)	(1.07)	(0.98)
Return after operating charges	0.12	(0.54)	12.70	5.26
Distributions	-	(0.52)	(0.13)	(0.47)
Retained distributions on accumulation shares	-	0.52	0.13	0.47
Closing net asset value per share	128.03	127.91	128.45	115.75
* after direct transaction costs of:	-	0.01	0.01	0.03

**PERFORMANCE**

Return after charges	0.09%	(0.42)%	10.97%	4.76%
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**OTHER INFORMATION**

Closing net asset value (£'000)	2,185,348	2,255,296	2,034,151	1,652,286
Closing number of shares	1,706,960,979	1,763,160,485	1,583,668,143	1,427,506,937
Operating charges	0.86%	0.86%	0.86%	0.86%
Direct transaction costs	-	0.01%	0.01%	0.03%

**PRICES**

Highest share price	130.14	132.09	132.20	118.54
Lowest share price	126.06	124.39	114.27	101.82

**TROJAN FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Fund Performance to 31 July 2023 (%)**

	6 months	1 year	3 years	5 years
Trojan Fund	0.31	(0.95)	10.14	26.52
UK Retail Prices Index <sup>1</sup>	3.86	9.03	27.19	32.84
FTSE All-Share Index (Total Return) <sup>1</sup>	0.76	6.09	41.75	18.07
UK Official Bank Rate <sup>1</sup>	2.24	3.60	4.24	5.57

<sup>1</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**TROJAN FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	DEBT SECURITIES – 62.56% (31.01.23 – 59.97%)		
£295,300,000	UK Treasury 0.125% 31/1/2024	287,949	4.72
£355,843,000	UK Treasury 1.25% 22/7/2027	313,656	5.14
£178,733,000	UK Treasury 2.25% 7/9/2023	178,083	2.92
£375,950,000	UK Treasury 2.75% 7/9/2024	366,170	6.01
US\$484,488,000	US Treasury 2.50% 31/1/2024	371,166	6.09
US\$212,200,000	US Treasury 2.75% 15/2/2024	162,605	2.67
US\$187,610,000	US Treasury 4.50% 30/11/2024	144,349	2.37
US\$117,117,000	US Treasury Inflation Protected Securities 0.125% 15/7/2024	113,172	1.86
US\$408,820,000	US Treasury Inflation Protected Securities 0.125% 15/7/2026	379,076	6.22
US\$400,350,000	US Treasury Inflation Protected Securities 0.125% 15/1/2031	322,742	5.29
US\$127,000,000	US Treasury Inflation Protected Securities 0.375% 15/1/2027	116,758	1.91
US\$144,300,000	US Treasury Inflation Protected Securities 0.625% 15/1/2024	143,937	2.36
US\$496,292,200	US Treasury Inflation Protected Securities 0.75% 15/2/2042	431,844	7.08
US\$194,903,000	US Treasury Inflation Protected Securities 0.875% 15/1/2029	173,304	2.84
US\$250,018,800	US Treasury Inflation Protected Securities 2.375% 15/1/2025	309,672	5.08
	TOTAL DEBT SECURITIES	<u>3,814,483</u>	<u>62.56</u>
	EQUITIES – 24.24% (31.01.23 – 22.28%)		
	UNITED KINGDOM – 7.02% (31.01.23 – 6.62%)		
4,520,609	Diageo	153,588	2.52
1,493,900	Experian	44,937	0.73
431,842	Mithras Investment Trust <sup>1,2</sup>	64	–
5,483,865	Unilever	229,801	3.77
	TOTAL UNITED KINGDOM	<u>428,390</u>	<u>7.02</u>

**TROJAN FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	CONTINENTAL EUROPE – 4.99% (31.01.23 – 3.85%)		
811,178	Heineken	59,066	0.97
1,850,571	Nestlé	177,308	2.91
395,284	Pernod Ricard	67,913	1.11
	TOTAL CONTINENTAL EUROPE	<u>304,287</u>	<u>4.99</u>
	NORTH AMERICA – 12.23% (31.01.23 – 11.81%)		
529,018	Agilent Technologies	50,067	0.82
1,050,353	Alphabet 'A'	108,370	1.78
585,979	American Express	76,940	1.26
532,870	Becton Dickinson	115,387	1.89
423,849	Microsoft	110,672	1.82
125,922	Moody's	34,516	0.57
755,697	Procter & Gamble	91,830	1.50
853,709	Visa	157,777	2.59
	TOTAL NORTH AMERICA	<u>745,559</u>	<u>12.23</u>
	TOTAL EQUITIES	<u>1,478,236</u>	<u>24.24</u>
	COMMODITIES – 11.25% (31.01.23 – 10.90%)		
759,328	Franco-Nevada	86,069	1.41
1,861,634	Invesco Physical Gold ETC <sup>3</sup>	275,183	4.51
10,904,762	iShares Physical Gold ETC <sup>3</sup>	325,007	5.33
	TOTAL COMMODITIES	<u>686,259</u>	<u>11.25</u>
	FORWARD CURRENCY CONTRACTS – 0.42% (31.01.23 – 0.72%)		
US\$(1,088,255,000)	Vs £862,609,337 (expiry 15/8/2023) <sup>4</sup>	16,864	0.28
£(311,982,304)	Vs US\$397,740,000 (expiry 15/8/2023) <sup>4</sup>	(2,876)	(0.05)
US\$(838,832,000)	Vs £666,792,792 (expiry 15/9/2023) <sup>5</sup>	14,972	0.25
US\$(940,550,000)	Vs £727,228,444 (expiry 16/10/2023) <sup>5</sup>	(3,619)	(0.06)
	TOTAL FORWARD CURRENCY CONTRACTS	<u>25,341</u>	<u>0.42</u>

**TROJAN FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	Portfolio of investments <sup>6</sup>	6,004,319	98.47
	Net other assets	<u>93,157</u>	<u>1.53</u>
	Net assets	<u>6,097,476</u>	<u>100.00</u>

The investments are ordinary shares listed on a regulated market unless stated otherwise.

<sup>1</sup> Closed end fund.

<sup>2</sup> Delisted security.

<sup>3</sup> Exchange traded commodity.

<sup>4</sup> Counterparty: BNY Mellon.

<sup>5</sup> Counterparty: UBS.

<sup>6</sup> Includes investment liabilities.



**TROJAN FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	1,289,330	Total sales for the half year £'000	1,290,964
Purchases	Cost £'000	Major sales	Proceeds £'000
iShares Physical Gold ETC	344,350	Gold Bullion Securities	408,947
UK Treasury 1.25% 22/7/2027	310,490	US Treasury 2.875% 30/11/2023	311,053
UK Treasury 2.75% 7/9/2024	184,756	UK Treasury 0.75% 22/7/2023	197,106
US Treasury 2.75% 15/2/2024	166,961	US Treasury Inflation Protected Securities	
US Treasury 4.50% 30/11/2024	154,866	0.625% 15/4/2023	167,209
Invesco Physical Gold ETC	64,810	UK Treasury 2.25% 7/9/2023	101,257
Heineken	63,097	Visa	38,999
		Alphabet 'A'	15,815
		Microsoft	15,245
		US Treasury Inflation Protected Securities	
		0.125% 15/7/2026	8,424
		US Treasury Inflation Protected Securities	
		0.75% 15/2/2042	4,841

The summary of material portfolio changes represents all of the purchases and the 10 largest sales during the half year.

**TROJAN FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital (losses)/gains		(32,508)		51,640
Revenue	69,828		36,302	
Expenses	(28,249)		(27,950)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	41,579		8,351	
Taxation	(4,429)		(2,598)	
Net revenue after taxation		37,150		5,753
Total return before distributions		4,642		57,393
Distributions		–		–
Change in net assets attributable to shareholders from investment activities		4,642		57,393

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		6,533,929		6,107,435
Amounts receivable on issue of shares	169,872		534,087	
Amounts payable on redemption of shares	(610,967)		(214,377)	
		(441,095)		319,710
Change in net assets attributable to shareholders from investment activities		4,642		57,393
Closing net assets attributable to shareholders		6,097,476		6,484,538

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.

**TROJAN FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	6,010,814	6,133,573
Current assets		
Debtors	13,802	64,945
Cash and bank balances	162,950	395,640
<b>Total assets</b>	<u>6,187,566</u>	<u>6,594,158</u>
<b>LIABILITIES</b>		
Investment liabilities	(6,495)	(1)
Creditors		
Distribution payable	-	(11,830)
Other creditors	(83,595)	(48,398)
<b>Total liabilities</b>	<u>(90,090)</u>	<u>(60,229)</u>
<b>Net assets attributable to shareholders</b>	<u>6,097,476</u>	<u>6,533,929</u>

## TROJAN FUND

### INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half year ended 31 July 2023

##### 1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## TROJAN ETHICAL FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Ethical Fund ('the Fund') is to seek to achieve growth in capital (net of fees), ahead of inflation (UK Retail Prices Index), over the longer term (5 to 7 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The Fund has flexibility to invest globally in the following asset classes: government and public securities (such as sovereign debt and treasury bills), corporate bonds, equities and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities), private equity, precious metals, money-market instruments, cash, cash equivalents and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts and other transferable securities such as exchange traded commodities. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to precious metals will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

For certain assets including companies, additional ethical exclusion criteria also apply. A document setting out a summary of the Fund's ethical exclusion criteria is available on the ACD's website [www.linkfundssolutions.co.uk](http://www.linkfundssolutions.co.uk). The ethical exclusion criteria prohibit the Fund from investing in any company that generates revenues from fossil fuels, pornography, tobacco, alcohol, gambling, high interest rate lending and certain types of armaments which exceed the limits set out in the Fund's ethical exclusion criteria.

When investing in government and public securities, the Fund will not invest in securities issued or guaranteed by any issuer or guarantor which is subject to a sanction issued by either the United Nations or the European Union. Investment will also only be made in securities issued or guaranteed by Canada, France, Germany, Italy, Japan, the UK and the US (commonly known as the 'G7'), or by a single local authority or public authority of those countries.

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

The Fund has no particular geographic focus.

## TROJAN ETHICAL FUND

### ACD'S REPORT *continued*

#### Investment Objective and Policy *continued*

Exposure to asset classes will be varied and at times the Fund may have no exposure to a particular asset class. At times less than 50% of the Fund's portfolio may be invested in assets that are subject to the Investment Manager's Climate Change Mitigation Policy.

Where an investment is identified as no longer meeting the Fund's ethical exclusion criteria the Investment Manager will seek to sell the investment within the following 90 days. The prices at which such an investment can be sold in these circumstances may be lower than the prices that might otherwise have been realised for the investment if such a sale was not required.

#### Benchmarks

The Fund's target benchmark is the UK Retail Prices Index.

The Fund's comparator benchmarks are the UK Official Bank Rate and the FTSE All-Share Index (Total Return).

The UK Retail Prices Index has been selected as the Fund's target return benchmark as the Fund aims to achieve a return (the money made or lost on an investment) that is above the rate of inflation. The UK Retail Prices Index is used to measure the rate of inflation. Please refer to the Fund's investment objective for detail regarding how achievement of the target return benchmark is measured, and over what time period.

In addition to the target return benchmark, the Fund's performance may also be compared against the following benchmarks (referred to as 'comparator benchmarks'): FTSE All-Share Index (Total Return) is used as a comparator which may assist investors in evaluating the Fund's performance against GBP equity returns. The Fund also uses the UK Official Bank Rate as a comparator which may assist investors in evaluating the Fund's performance when compared with returns available from cash. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Ethical Fund

28 September 2023

## TROJAN ETHICAL FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Market Review

During the period, the Fund's O Accumulation share class returned +1.0% (total return), the FTSE All-Share Index (Total Return) returned 0.8%. The UK Retail Price Index rose 3.9% and the UK Official Bank Rate was +2.2%.

The Fund began and finished the reporting period with a defensive asset allocation reflecting our view that markets have become more fragile given high equity valuations and the potential for higher interest rates to detrimentally impact corporate earnings.

Markets started the year in bullish mood with a reversal of the selling we witnessed throughout 2022. In general, equity valuations fell last year but didn't decline to levels that reflected the potential for recession. In our view, investor expectations remain too high.

This view was reinforced in March as the financial system creaked under the strain of higher interest rates. We witnessed the largest banking failure since the financial crisis, in the form of Silicon Valley Bank (SVB) in the US, and the swift demise of Credit Suisse in Europe. The Swiss bank was bought by UBS for CHF3.2bn, approximately 97% below the value it traded at 15 years ago. These were not the first rumblings of trouble. The UK's liability-driven investment (LDI) chaos last autumn was a hint of what happens when you have the fastest rate hiking cycle in decades. It was no surprise to see banks tighten lending standards in the wake of these events. This will make life a lot harder for sectors of the economy reliant on bank lending. Small businesses and commercial real estate are areas of particular risk. Funding difficulties for both will also have ramifications for the economy as a whole.

Despite these warning signs, consumers and businesses overall appear to be in rude health, with little visible impact from ever-higher interest rates. Several companies raised prices by double-digit percentages, with volumes remaining relatively unchanged compared to a year earlier, although we question how sustainable this is. In the US these severe price rises, needed to offset cost pressures and staff wage rises, are incompatible with the Federal Reserve's ('the Fed') goal to tame inflation.

Despite these and other evidence of inflationary pressures, investors expected the Fed to begin cutting interest rates toward the end of the summer and to continue this trend into next year. We are concerned that if the Fed begins to reduce rates substantially, it will not necessarily be good news for stock markets as it would likely reflect a rapidly slowing economy.

For investors, there are two important factors that require consideration. These are the ongoing effects of tighter monetary policy and the fact that the market's performance is being driven by only a handful of stocks. The latter is not uncommon in a bear market. As we head into an economic downturn, investors coalesce around an ever-smaller number of successful growth stocks. In the UK in 1989, it was Glaxo and Guinness (now Diageo); fund managers not holding these two stocks underperformed. In 2000, after the dot-com bubble burst, investors huddled around the safety of Cisco, IBM, Lucent and Intel. In the US in

## TROJAN ETHICAL FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

2023, it is large-cap tech stocks once more, with many shares reversing some of their 2022 losses. These are examples of stock market bubbles reigniting after periods of speculation and echoing what came before, rather than what might lie ahead. The narrower the stock market leadership, the less healthy the prospect for the wider market.

Gold represented 11% of the Fund at the end of July and declined -4% in sterling terms in the period under review. Nevertheless, gold hit an all-time high, in sterling terms, of £1,632 during the banking crisis in March, highlighting its credentials as a safe haven asset during times of trouble.

#### Portfolio

Portfolio turnover remained modest during the period under review.

The duration of the portfolio's US Treasury Inflation-Protected Securities (TIPS) was modestly extended, by approximately half a year, to reflect the more attractive real yields on offer. We also added short-dated UK government bonds, yielding in excess of 5%, to the portfolio as stickier than expected inflation caused bond yields to rise.

#### Outlook

For the first time in 15 years savers are offered an acceptable risk-free rate. We can certainly see the appeal of short-dated UK government bonds yielding over 5% in the short term, although we are steering clear of corporate debt because credit spreads tend to widen in a downturn. Short-term yields today are at their most attractive relative to the earnings yields on equities since 2000 or 2007 – neither were great times to buy stocks. Short-dated bonds are liquid and provide flexibility for our asset allocation purposes, giving us dry powder.

In the longer term, we look to increase exposure to real assets, not nominal ones. We have the flexibility and the proven ability to asset allocate. In times of distress, as in 2008 and again in 2020, we have lent in and been prepared to take more risk, materially increasing exposure to equities. However, when it comes to positioning the portfolio cautiously in advance of an expected downturn, it is essential that we are early rather than late. This is how we succeeded in protecting capital in 2001-2, 2007-9 and in 2020. We never want to be selling into a falling market. That is when we need to be buying. We feel strongly that strategic asset allocation will once more come to the fore. Combined with a bias towards the shares of better-quality companies, this has driven our long-term returns to-date. And we are ready to act when the opportunities present themselves.



## TROJAN ETHICAL FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

In this context, we were recently asked about the attractions of a one-year fixed deposit. However seductive the interest rate offered, we do not think that tying up capital just now holds much appeal. In current conditions one should retain as much flexibility as possible. Today there is a likelihood that asset prices predicated on zero rates will be repriced to pre-financial crisis levels. The good news is that investors are being paid to wait.

### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## TROJAN ETHICAL FUND

### ACD'S REPORT *continued*

### FUND INFORMATION

#### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. As the Fund has less than 5 years' price history, this calculation incorporates the volatility of an appropriate benchmark index. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Ethical Investments:** The Fund is prevented from investing in certain sectors or companies. This narrower range may constrain the Fund's performance. If an investment no longer meets the ethical exclusion criteria it will be sold and the price obtained may be less than could be obtained if a forced sale was not required.

**Alternative Investment Risk:** The Fund may invest in other investment vehicles to gain indirect exposure to alternative investments, such as precious metals and private equity. Exposure to such investments can involve a higher degree of risk that may increase the risk of investment loss. The performance of such vehicles can be volatile and there is a risk that investors may experience a delay in receiving redemption proceeds.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

## TROJAN ETHICAL FUND

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

Where the Fund has significant investment in collective investment schemes, exchange-traded funds and similar products, the operating charges figure takes account of the ongoing charges incurred in the underlying schemes, calculated as the expense value of such holdings at the half year end weighted against the net asset value of the share class at that date. Following an update to industry guidance, with effect from 1 July 2021, the operating charges figure also takes account of the ongoing charges incurred in closed end underlying schemes calculated as the expense value of such holdings at the half year end weighted against the net asset value of the share class at that date.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	126.36	128.21	117.48	109.14
Return before operating charges*	1.87	(0.46)	12.02	9.59
Operating charges	(0.65)	(1.29)	(1.29)	(1.18)
Return after operating charges	1.22	(1.75)	10.73	8.41
Distributions	-	(0.10)	-	(0.07)
Closing net asset value per share	127.58	126.36	128.21	117.48
* after direct transaction costs of:	-	0.01	0.03	0.07

**PERFORMANCE**

Return after charges	0.97%	(1.36)%	9.13%	7.71%
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**OTHER INFORMATION**

Closing net asset value (£'000)	15,030	29,676	32,048	18,722
Closing number of shares	11,780,685	23,484,469	24,996,652	15,936,250
Operating charges <sup>2</sup>	1.02%	1.02%	1.03% <sup>3</sup>	1.03% <sup>1,3</sup>
Direct transaction costs	-	0.01%	0.03%	0.06%

**PRICES**

Highest share price	128.06	130.77	131.84	119.94
Lowest share price	124.62	122.59	116.20	101.50

<sup>1</sup> For the year to 31 January 2021, there was an accounting adjustment resulting in the operating charges figure of 1.03%.

<sup>2</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 1.02%.

<sup>3</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	126.72	128.46	117.71	109.28
Return before operating charges*	1.61	(0.45)	12.04	9.60
Operating charges	(0.65)	(1.29)	(1.29)	(1.17)
Return after operating charges	0.96	(1.74)	10.75	8.43
Distributions	-	(0.09)	-	(0.09)
Retained distributions on accumulation shares	-	0.09	-	0.09
Closing net asset value per share	127.68	126.72	128.46	117.71
* after direct transaction costs of:	-	0.01	0.03	0.07

**PERFORMANCE**

Return after charges	0.76%	(1.35)%	9.13%	7.71%
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**OTHER INFORMATION**

Closing net asset value (£'000)	72,657	71,012	82,535	44,404
Closing number of shares	56,904,452	56,039,086	64,249,185	37,724,487
Operating charges <sup>1</sup>	1.02%	1.02%	1.03% <sup>2</sup>	1.02% <sup>2</sup>
Direct transaction costs	-	0.01%	0.03%	0.06%

**PRICES**

Highest share price	128.42	131.03	132.10	120.17
Lowest share price	124.97	122.84	116.42	101.63

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 1.02%.

<sup>2</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES****(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	126.85	128.70	117.64	109.15
Return before operating charges*	1.42	(0.45)	12.04	9.60
Operating charges	(0.49)	(0.98)	(0.98)	(0.90)
Return after operating charges	0.93	(1.43)	11.06	8.70
Distributions	–	(0.42)	–	(0.21)
Closing net asset value per share	127.78	126.85	128.70	117.64
* after direct transaction costs of:	–	0.01	0.03	0.07

**PERFORMANCE**

Return after charges	0.73%	(1.11)%	9.40%	7.97%
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**OTHER INFORMATION**

Closing net asset value (£'000)	179,608	162,059	140,941	84,552
Closing number of shares	140,558,901	127,760,064	109,510,129	71,876,797
Operating charges <sup>2</sup>	0.77%	0.77%	0.78% <sup>3</sup>	0.78% <sup>1,3</sup>
Direct transaction costs	–	0.01%	0.03%	0.06%

**PRICES**

Highest share price	128.64	131.33	132.27	120.03
Lowest share price	125.12	123.18	116.38	101.54

<sup>1</sup> For the year to 31 January 2021, there was an accounting adjustment resulting in the operating charges figure of 0.78%.

<sup>2</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.77%.

<sup>3</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	127.93	129.37	118.25	109.51
Return before operating charges*	1.42	(0.46)	12.10	9.64
Operating charges	(0.50)	(0.98)	(0.98)	(0.90)
Return after operating charges	0.92	(1.44)	11.12	8.74
Distributions	-	(0.43)	-	(0.22)
Retained distributions on accumulation shares	-	0.43	-	0.22
Closing net asset value per share	128.85	127.93	129.37	118.25
* after direct transaction costs of:	-	0.01	0.03	0.07

**PERFORMANCE**

Return after charges	0.72%	(1.11)%	9.40%	7.98%
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**OTHER INFORMATION**

Closing net asset value (£'000)	99,767	98,132	100,814	29,903
Closing number of shares	77,430,068	76,705,593	77,927,653	25,288,525
Operating charges <sup>2</sup>	0.77%	0.77%	0.78% <sup>3</sup>	0.78% <sup>1,3</sup>
Direct transaction costs	-	0.01%	0.03%	0.06%

**PRICES**

Highest share price	129.74	132.01	132.96	120.66
Lowest share price	126.19	123.82	116.98	101.88

<sup>1</sup> For the year to 31 January 2021, there was an accounting adjustment resulting in the operating charges figure of 0.78%.

<sup>2</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.77%.

<sup>3</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21<sup>1</sup></b> pence per share
Opening net asset value per share	117.80	119.51	109.35	100.00
Return before operating charges*	1.30	(0.39)	11.29	10.38
Operating charges	(0.52)	(1.03)	(1.02)	(0.87)
Return after operating charges	0.78	(1.42)	10.27	9.51
Distributions	-	(0.29)	(0.11)	(0.16)
Closing net asset value per share	118.58	117.80	119.51	109.35
* after direct transaction costs of:	-	0.01	0.03	0.06

**PERFORMANCE**

Return after charges	0.66%	(1.19)%	9.39%	9.51%
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**OTHER INFORMATION**

Closing net asset value (£'000)	95,439	106,519	58,737	30,630
Closing number of shares	80,484,959	90,425,421	49,146,444	28,011,918
Operating charges <sup>3</sup>	0.87%	0.87%	0.88% <sup>4</sup>	0.87% <sup>2,4</sup>
Direct transaction costs	-	0.01%	0.03%	0.06%

**PRICES**

Highest share price	119.43	121.95	122.86	111.60
Lowest share price	116.19	114.36	108.17	94.42

<sup>1</sup> From 28 February 2020.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.87%.

<sup>4</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.



**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21<sup>1</sup></b> pence per share
Opening net asset value per share	118.25	119.69	109.50	100.00
Return before operating charges*	1.28	(0.41)	11.22	10.37
Operating charges	(0.52)	(1.03)	(1.03)	(0.87)
Return after operating charges	0.76	(1.44)	10.19	9.50
Distributions	-	(0.28)	(0.11)	(0.16)
Retained distributions on accumulation shares	-	0.28	0.11	0.16
Closing net asset value per share	119.01	118.25	119.69	109.50
* after direct transaction costs of:	-	0.01	0.03	0.06

**PERFORMANCE**

Return after charges	0.64%	(1.20)%	9.31%	9.50%
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**OTHER INFORMATION**

Closing net asset value (£'000)	347,803	327,297	158,530	51,521
Closing number of shares	292,241,368	276,780,152	132,454,873	47,049,623
Operating charges <sup>3</sup>	0.87%	0.87%	0.88% <sup>4</sup>	0.87% <sup>2,4</sup>
Direct transaction costs	-	0.01%	0.03%	0.06%

**PRICES**

Highest share price	119.89	122.12	123.03	111.76
Lowest share price	116.63	114.52	108.32	94.42

<sup>1</sup> From 28 February 2020.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.87%.

<sup>4</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Fund Performance to 31 July 2023 (%)**

	6 months	1 year	3 years	Since launch <sup>1</sup>
Trojan Ethical Fund	1.00	(0.34)	9.27	27.68
UK Retail Prices Index <sup>2</sup>	3.86	9.03	27.19	31.30
FTSE All-Share Index (Total Return) <sup>2</sup>	0.76	6.09	41.75	23.97
UK Official Bank Rate <sup>2</sup>	2.24	3.60	4.24	5.06

<sup>1</sup> Launch date 22 March 2019.

<sup>2</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	DEBT SECURITIES – 65.64% (31.01.23 – 60.99%)		
£15,200,000	UK Treasury 0.125% 31/1/2024	14,822	1.83
£15,969,000	UK Treasury 0.25% 31/1/2025	14,867	1.83
£46,380,000	UK Treasury 1.25% 22/7/2027	40,881	5.04
£17,725,000	UK Treasury 2.25% 7/9/2023	17,661	2.18
£39,835,000	UK Treasury 2.75% 7/9/2024	38,799	4.79
US\$23,729,000	US Treasury 0.875% 15/1/2029	21,099	2.60
US\$59,229,000	US Treasury 2.5% 31/1/2024	45,375	5.60
US\$43,230,000	US Treasury 2.875% 31/10/2023	33,388	4.12
US\$14,838,000	US Treasury 2.875% 30/11/2023	11,437	1.41
US\$24,400,000	US Treasury Inflation Protected Securities 0.125% 15/7/2024	23,578	2.91
US\$52,798,000	US Treasury Inflation Protected Securities 0.125% 15/7/2026	48,957	6.04
US\$43,590,000	US Treasury Inflation Protected Securities 0.125% 15/1/2031	35,140	4.34
US\$55,048,000	US Treasury Inflation Protected Securities 0.375% 15/1/2027	50,609	6.25
US\$63,525,500	US Treasury Inflation Protected Securities 0.75% 15/2/2042	55,276	6.82
US\$23,026,000	US Treasury Inflation Protected Securities 2.375% 15/1/2025	28,519	3.52
US\$37,980,000	US Treasury Inflation Protected Securities 2.75% 15/2/2024	29,103	3.59
US\$29,130,000	US Treasury Inflation Protected Securities 4.5% 30/11/2024	22,413	2.77
	TOTAL DEBT SECURITIES	<u>531,924</u>	<u>65.64</u>
	EQUITIES – 20.51% (31.01.23 – 20.24%)		
	UNITED KINGDOM – 3.82% (31.01.23 – 3.75%)		
405,667	Experian	12,202	1.51
446,952	Unilever	18,730	2.31
	TOTAL UNITED KINGDOM	<u>30,932</u>	<u>3.82</u>
	CONTINENTAL EUROPE – 1.83% (31.01.23 – 1.92%)		
154,809	Nestlé	14,833	1.83

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	NORTH AMERICA – 14.86% (31.01.23 – 14.57%)		
71,420	Agilent Technologies	6,759	0.83
167,445	Alphabet 'A'	17,276	2.13
64,179	American Express	8,427	1.04
71,976	Becton Dickinson	15,586	1.92
21,384	Intuit	8,506	1.05
24,779	Mastercard 'A'	7,592	0.94
82,528	Microsoft	21,549	2.66
14,334	Moody's	3,929	0.49
72,132	Procter & Gamble	8,765	1.08
119,230	Visa	22,035	2.72
	TOTAL NORTH AMERICA	120,424	14.86
	TOTAL EQUITIES	166,189	20.51
	COMMODITIES – 11.44% (31.01.23 – 11.71%)		
463,994	Invesco Physical Gold ETC <sup>1</sup>	68,587	8.46
1,588,560	The Royal Mint Responsibly Sourced Physical Gold ETC <sup>1</sup>	24,125	2.98
	TOTAL COMMODITIES	92,712	11.44
	FORWARD CURRENCY CONTRACTS – 0.56% (31.01.22 – 0.79%)		
US\$(156,339,000)	Vs £123,922,685 (expiry 15/8/2023) <sup>2</sup>	2,423	0.30
US\$(150,980,000)	Vs £120,014,944 (expiry 15/9/2023) <sup>3</sup>	2,695	0.33
US\$(118,910,000)	Vs £91,940,603 (expiry 16/10/2023) <sup>3</sup>	(458)	(0.05)
US\$(23,780,000)	Vs £18,578,009 (expiry 15/8/2023) <sup>4</sup>	97	0.01
£(23,600,515)	Vs US\$33,530,000 (expiry 15/8/2023) <sup>2</sup>	(242)	(0.03)
	TOTAL FORWARD CURRENCY CONTRACTS	4,515	0.56

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	Portfolio of investments <sup>5</sup>	795,340	98.15
	Net other assets	<u>14,964</u>	<u>1.85</u>
	Net assets	<u>810,304</u>	<u>100.00</u>

The investments are ordinary shares listed on a regulated market unless stated otherwise.

<sup>1</sup> Exchange traded commodity.

<sup>2</sup> Counterparty: BNY Mellon.

<sup>3</sup> Counterparty: UBS.

<sup>4</sup> Counterparty: Northern Trust.

<sup>5</sup> Includes investment liabilities.

**TROJAN ETHICAL FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	189,578	Total sales for the half year £'000	126,294
	Cost		Proceeds
Major purchases	£'000	Sales	£'000
UK Treasury 1.25% 22/7/2027	40,469	US Treasury Inflation Protected Securities	
US Treasury Inflation Protected Securities		0.625% 15/4/2023	29,902
2.75% 15/2/2024	29,883	US Treasury 2.875% 30/11/2023	26,221
The Royal Mint Responsibly Sourced		WisdomTree Physical Gold	24,117
Physical Gold ETC	24,212	UK Treasury 0.75% 22/7/2023	23,093
US Treasury Inflation Protected Securities		UK Treasury 2.25% 7/9/2023	14,948
4.5% 30/11/2024	24,046	Mastercard 'A'	8,013
UK Treasury 2.75% 7/9/2024	18,734		
US Treasury Inflation Protected Securities			
0.375% 15/1/2027	16,172		
UK Treasury 0.25% 31/1/2025	14,802		
US Treasury Inflation Protected Securities			
0.125% 15/7/2026	8,922		
US Treasury Inflation Protected Securities			
0.75% 15/2/2042	5,007		
Invesco Physical Gold ETC	1,756		

The summary of material portfolio changes represents the 10 largest purchases and all of the sales during the half year.

**TROJAN ETHICAL FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital gains		84		2,994
Revenue	8,863		2,974	
Expenses	(3,352)		(2,736)	
Interest payable and similar charges	–		(6)	
Net revenue before taxation	5,511		232	
Taxation	(284)		(216)	
Net revenue after taxation		5,227		16
Total return before distributions		5,311		3,010
Distributions		–		–
Change in net assets attributable to shareholders from investment activities		5,311		3,010

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		794,695		573,605
Amounts receivable on issue of shares	75,459		209,252	
Amounts payable on redemption of shares	(65,161)		(52,542)	
		10,298		156,710
Change in net assets attributable to shareholders from investment activities		5,311		3,010
Closing net assets attributable to shareholders		810,304		733,325

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.

**TROJAN ETHICAL FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	796,040	744,964
Current assets		
Debtors	2,541	15,148
Cash and bank balances	13,843	41,064
<b>Total assets</b>	<u>812,424</u>	<u>801,176</u>
<b>LIABILITIES</b>		
Investment liabilities	(700)	(83)
Creditors		
Distribution payable	-	(825)
Other creditors	(1,420)	(5,573)
<b>Total liabilities</b>	<u>(2,120)</u>	<u>(6,481)</u>
<b>Net assets attributable to shareholders</b>	<u>810,304</u>	<u>794,695</u>



## TROJAN ETHICAL FUND

### INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half year ended 31 July 2023

##### 1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## TROJAN ETHICAL GLOBAL INCOME FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Ethical Global Income Fund ('the Fund') is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The Fund's investment policy is to invest at least 80% of its assets globally in equities (including investment trusts and real estate investment trusts ('REITs')) and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities). The Fund may also invest in government and public securities (such as sovereign debt and treasury bills), corporate bonds, real estate (via REITs), cash, cash equivalents (including money-market instruments) and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to real estate will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

Ethical exclusion criteria apply to equities, equity-related securities and corporate bonds (together, 'corporate securities') and government and public securities. A document setting out a summary of the Fund's ethical exclusion criteria is available on the ACD's website [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk). The ethical exclusion criteria prohibit the Fund from investing in any corporate security that generates revenues from fossil fuels, pornography, tobacco, alcohol, gambling, high interest rate lending and certain types of armaments which exceed the limits set out in the Fund's ethical exclusion criteria.

When investing in government and public securities, the Fund will: (a) not invest in securities issued or guaranteed by any issuer or guarantor which is subject to a sanction issued by either the United Nations or the European Union; (b) only invest in securities issued or guaranteed by Canada, France, Germany, Italy, Japan, the UK and the US (commonly known as the 'G7'), or by a single local authority or public authority of those countries.

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

#### Investment Objective and Policy *continued*

The Fund has no particular geographic focus.

Where an investment is identified as no longer meeting the Fund's ethical exclusion criteria the Investment Manager will seek to sell the investment within the following 90 days. The prices at which such an investment can be sold in these circumstances may be lower than the prices that might otherwise have been realised for the investment if such a sale was not required.

#### Benchmarks

The Fund's comparator benchmarks are the MSCI World Index (Net Return) and the Investment Association Global Equity Income Sector (Net Return).

The Fund's performance may be compared against the following benchmarks (referred to as 'comparator benchmarks'): MSCI World Index (Net Return) is used as a comparator which may assist investors in evaluating the Fund's performance against global equity returns. The Fund also uses the Investment Association Global Equity Income Sector (Net Return) as a comparator as investors may find it useful to compare the performance of the Fund with the performance of a group of the Fund's peers. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Ethical Global Income Fund

28 September 2023

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

#### Market Review

US economic data continues to allay investors' fears of an imminent recession whilst inflationary pressures ease. This gave scope for the Federal Reserve to slow the pace of interest rate increases, offering some relief for equity valuations. The half year has not been without mishap for equity markets more broadly. Higher interest rates led to the rapid failure of several US regional banks. China's recovery from the pandemic has underwhelmed, creating a drag for commodity prices. More traditional and capital-intensive sectors, including energy, materials, utilities, and real estate, all underperformed. Developed markets led by the US substantially outperformed most emerging markets, including China. Sterling recovered against most major trading currencies.

These trends are a mirror-image of last year – the leading detractors in 2022 have become the greatest contributors so far this year, and *vice versa*. Sentiment has recovered from dismal levels as the global economy has proved more resilient than widely expected, and companies continue to grow whilst taking action to protect profitability. Meanwhile, excitement about the promise of generative Artificial Intelligence (AI) builds, such that performance in the year-to-date is centered on large technology companies perceived to be its major beneficiaries but which generally do not pay a dividend.

#### Portfolio

The Fund returned +4.4% in the last six months, ahead of the Investment Association Global Equity Income Sector (Net Return) return of +2.7%. This compares to +6.3% for the MSCI World Index (Net Return) highlighting the ongoing divergence between income bearing assets and the broader market. The key contributors in terms of sectors were Information Technology, Industrials and Consumer Staples, whereas the key detractors were Financials, Communication Services and Real Estate (see below).

Related to the above sector performance, there was only one area where material changes were made to the portfolio in the period under review. We sold our holdings in both Vonovia and Boston Properties and re-invested the proceeds into LINK REIT as well as CME Group.

The Real Estate sector has been pressurised by the material and rapid rise in global interest rates. This has been in response to the inflationary impulse unleashed post-COVID. Real Estate companies are sensitive to changes in financing rates owing to higher levels of indebtedness than other companies in the portfolio. If bond yields remain elevated, it is likely that some companies will have to raise capital to shore up their balance sheets.

The first (and only one thus far) to do so in the portfolio, has been LINK REIT. This company is the biggest and (in our view) best managed REIT in Asia. It owns a diversified portfolio of assets including shopping centres and car parks in Hong Kong, as well as a limited number of investments in Australia and mainland China. The business capitalised on its reputation and scale to raise equity via a 1 for 5 rights issue. We participated in this to maintain our economic interest and to help the company be well placed to take advantage of others' distress. We added further to the shares once they were trading post-rights.

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

This was funded from the sale of Boston Properties and Vonovia. Neither company has raised equity, yet both may need to do so at some stage. We therefore reinvested the capital from the sale of these two companies into the now re-capitalized LINK (as well as CME). This maintained exposure to the sector but materially reduced the risk of permanent capital loss.

#### Outlook

Notwithstanding the changes to our Real Estate investments our views and positioning are largely unchanged. We consider equity markets to be fully valued and the outlook uncertain. The rapid and material increase in interest rates, to quell inflation, tends to impact the economy with a long and variable lag. The fact that this is not yet fully evident should not be taken as an indication that the very sudden change in the cost of capital is unimportant.

Whereas 2022 saw equities suffer a derating owing to the change in the discount rate, we have yet to see earnings expectations decline. If we do see a widespread slowdown in economic activity in the coming quarters, this will be inevitable.

The underlying performance of our portfolio companies remains very satisfactory. Although, by definition, backward-looking, results have been robust. This resilience may be valuable in the coming months while we wait patiently to deploy capital in favoured, but still fully valued investment opportunities.

#### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### FUND INFORMATION

#### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. As the Fund has less than 5 years' price history, this calculation incorporates the volatility of an appropriate benchmark index. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Property Fund Investment Risk:** Property funds can become illiquid increasing the risk that a position cannot be sold in a timely manner or at a reasonable price.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Ethical Investments:** The Fund is prevented from investing in certain sectors or companies. This narrower range may constrain the Fund's performance. If an investment no longer meets the ethical exclusion criteria it will be sold and the price obtained may be less than could be obtained if a forced sale was not required.

**Charges to Capital Risk:** As charges are taken from capital, this will erode capital and may constrain capital growth.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

#### O INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	31.07.23 pence per share	31.01.23 pence per share	31.01.22 <sup>1</sup> pence per share
Opening net asset value per share	97.42	99.72	100.00
Return before operating charges*	3.26	1.22	0.42
Operating charges	(0.46)	(0.92)	(0.24)
Return after operating charges	2.80	0.30	0.18
Distributions	(1.39)	(2.60)	(0.46)
Closing net asset value per share	98.83	97.42	99.72
* after direct transaction costs of:	0.01	0.09	0.05

#### PERFORMANCE

Return after charges	2.87%	0.30%	0.18%
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#### OTHER INFORMATION

Closing net asset value (£'000)	281	288	6
Closing number of shares	284,252	295,355	6,149
Operating charges <sup>3</sup>	0.93% <sup>4</sup>	0.92%	0.92% <sup>2</sup>
Direct transaction costs	0.01%	0.09%	0.76% <sup>2</sup>

#### PRICES

Highest share price	100.80	106.08	106.15
Lowest share price	94.14	94.26	98.46

<sup>1</sup> From 1 November 2021.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.92%.

<sup>4</sup> For the period to 31 July 2023, there was a one off exceptional costs in relation to Legal and Professional fees resulting in an increase to the operating charges figure of 0.01%.

**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22<sup>1</sup></b> pence per share
Opening net asset value per share	100.44	100.21	100.00
Return before operating charges*	3.36	1.16	0.45
Operating charges	(0.47)	(0.93)	(0.24)
Return after operating charges	2.89	0.23	0.21
Distributions	(1.44)	(2.65)	(0.48)
Retained distributions on accumulation shares	1.44	2.65	0.48
Closing net asset value per share	103.33	100.44	100.21
* after direct transaction costs of:	0.01	0.09	0.05

**PERFORMANCE**

Return after charges	2.88%	0.23%	0.21%
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**OTHER INFORMATION**

Closing net asset value (£'000)	2,371	2,194	35
Closing number of shares	2,294,140	2,184,306	34,853
Operating charges <sup>3</sup>	0.93% <sup>4</sup>	0.92%	0.92% <sup>2</sup>
Direct transaction costs	0.01%	0.09%	0.76% <sup>2</sup>

**PRICES**

Highest share price	104.13	108.05	106.15
Lowest share price	97.06	95.41	98.48

<sup>1</sup> From 1 November 2021.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.92%.

<sup>4</sup> For the period to 31 July 2023, there was a one off exceptional costs in relation to Legal and Professional fees resulting in an increase to the operating charges figure of 0.01%.



**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES***(REGISTERED CHARITIES ONLY)*

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22<sup>1</sup></b> pence per share
Opening net asset value per share	97.75	99.80	100.00
Return before operating charges*	3.39	1.41	0.49
Operating charges	(0.40)	(0.82)	(0.21)
Return after operating charges	2.99	0.59	0.28
Distributions	(1.42)	(2.64)	(0.48)
Closing net asset value per share	99.32	97.75	99.80
* after direct transaction costs of:	0.01	0.09	0.05

**PERFORMANCE**

Return after charges	3.06%	0.59%	0.28%
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**OTHER INFORMATION**

Closing net asset value (£'000)	–	–	–
Closing number of shares	250	250	250
Operating charges <sup>3</sup>	0.82%	0.82%	0.82% <sup>2</sup>
Direct transaction costs	0.01%	0.09%	0.76% <sup>2</sup>

**PRICES**

Highest share price	101.23	106.34	106.20
Lowest share price	94.49	94.46	98.56

<sup>1</sup> From 1 November 2021.<sup>2</sup> Annualised figure due to share class launched less than 1 year.<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.82%.

**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22<sup>1</sup></b> pence per share
Opening net asset value per share	100.79	100.27	100.00
Return before operating charges*	3.47	1.35	0.48
Operating charges	(0.42)	(0.83)	(0.21)
Return after operating charges	3.05	0.52	0.27
Distributions	(1.46)	(2.67)	(0.48)
Retained distributions on accumulation shares	1.46	2.67	0.48
Closing net asset value per share	103.84	100.79	100.27
* after direct transaction costs of:	0.01	0.09	0.05

**PERFORMANCE**

Return after charges	3.03%	0.52%	0.27%
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**OTHER INFORMATION**

Closing net asset value (£'000)	–	–	–
Closing number of shares	250	250	250
Operating charges <sup>3</sup>	0.82%	0.82%	0.82% <sup>2</sup>
Direct transaction costs	0.01%	0.09%	0.76% <sup>2</sup>

**PRICES**

Highest share price	104.57	108.30	106.20
Lowest share price	97.42	95.58	98.56

<sup>1</sup> From 1 November 2021.<sup>2</sup> Annualised figure due to share class launched less than 1 year.<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.82%.

**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***F INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	31.07.23 pence per share	31.01.23 pence per share	31.01.22 <sup>1</sup> pence per share
Opening net asset value per share	98.06	99.82	100.00
Return before operating charges*	3.30	1.19	0.43
Operating charges	(0.37)	(0.33)	(0.13)
Return after operating charges	2.93	0.86	0.30
Distributions	(1.40)	(2.62)	(0.48)
Closing net asset value per share	99.59	98.06	99.82
* after direct transaction costs of:	0.01	0.09	0.05

**PERFORMANCE**

Return after charges	2.99%	0.86%	0.30%
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**OTHER INFORMATION**

Closing net asset value (£'000)	830	2,515	219
Closing number of shares	833,456	2,565,020	219,701
Operating charges	0.74% <sup>4,5</sup>	0.33% <sup>3</sup>	0.52% <sup>2,3</sup>
Direct transaction costs	0.01%	0.09%	0.76% <sup>2</sup>

**PRICES**

Highest share price	101.53	106.57	106.21
Lowest share price	94.79	94.59	98.56

<sup>1</sup> From 1 November 2021.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed to waive the Annual Management Charge for this share class for first year of the Fund.

<sup>4</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.72%.

<sup>5</sup> For the period to 31 July 2023, there was a one off exceptional costs in relation to Legal and Professional fees resulting in an increase to the operating charges figure of 0.02%.

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### FUND INFORMATION *continued*

#### Comparative Tables *continued*

##### F ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	31.07.23 pence per share	31.01.23 pence per share	31.01.22 <sup>1</sup> pence per share
Opening net asset value per share	101.11	100.28	100.00
Return before operating charges*	3.38	1.17	0.42
Operating charges	(0.37)	(0.34)	(0.14)
Return after operating charges	3.01	0.83	0.28
Distributions	(1.45)	(2.65)	(0.47)
Retained distributions on accumulation shares	1.45	2.65	0.47
Closing net asset value per share	104.12	101.11	100.28
* after direct transaction costs of:	0.01	0.09	0.05

##### PERFORMANCE

Return after charges	2.98%	0.83%	0.28%
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##### OTHER INFORMATION

Closing net asset value (£'000)	26,218	25,362	21,279
Closing number of shares	25,180,997	25,083,435	21,219,237
Operating charges	0.73% <sup>4,5</sup>	0.33% <sup>3</sup>	0.55% <sup>2,3</sup>
Direct transaction costs	0.01%	0.09%	0.76% <sup>2</sup>

##### PRICES

Highest share price	104.88	108.53	106.19
Lowest share price	97.73	95.73	98.55

<sup>1</sup> From 1 November 2021.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed to waive the Annual Management Charge for this share class for first year of the Fund.

<sup>4</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.72%.

<sup>5</sup> For the period to 31 July 2023, there was a one off exceptional costs in relation to Legal and Professional fees resulting in an increase to the operating charges figure of 0.01%.

**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Distributions**

Share Class	First Interim 30.04.23 pence per share	Second Interim 31.07.23 pence per share
O Income	0.8662	0.5237
O Accumulation	0.8938	0.5446
S Income	0.8720	0.5440
S Accumulation	0.9000	0.5560
F Income	0.8763	0.5271
F Accumulation	0.8999	0.5485

**Fund Performance to 31 July 2023 (%)**

	6 months	1 year	Since launch <sup>1</sup>
Trojan Ethical Global Income Fund	4.40	0.58	3.82
MSCI World Index (Net Return) <sup>2</sup>	6.30	7.33	5.04
Investment Association Global Equity Income Sector (Net Return) <sup>2</sup>	2.74	6.47	8.26

<sup>1</sup> Launch date 1 November 2021.

<sup>2</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

## TROJAN ETHICAL GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### PORTFOLIO STATEMENT

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	UNITED KINGDOM – 23.40% (31.01.23 – 22.67%)		
42,297	Admiral	901	3.03
254,962	Domino's Pizza	886	2.98
12,918	InterContinental Hotels	744	2.50
27,330	Reckitt Benckiser	1,595	5.37
46,774	RELX	1,225	4.13
38,187	Unilever	1,600	5.39
	TOTAL UNITED KINGDOM	6,951	23.40
	CONTINENTAL EUROPE – 15.65% (31.01.23 – 17.20%)		
8,904	Coloplast 'B'	862	2.90
6,592	Nestlé	632	2.13
16,246	Novartis	1,327	4.47
4,321	Roche	1,048	3.53
39,048	Universal Music	779	2.62
	TOTAL CONTINENTAL EUROPE	4,648	15.65
	NORTH AMERICA – 52.42% (31.01.23 – 54.27%)		
2,256	Accenture	555	1.87
6,679	Automatic Data Processing	1,284	4.32
22,543	Cisco Systems	912	3.07
2,738	Clorox	322	1.09
9,358	CME	1,447	4.87
8,432	Coca-Cola	406	1.37
13,875	Colgate-Palmolive	822	2.77
16,340	Fastenal	744	2.51
2,876	Hershey	517	1.74
8,230	Johnson & Johnson	1,072	3.61
3,538	McDonald's	806	2.71
14,205	Medtronic	969	3.26
4,250	Microsoft	1,110	3.74
17,449	Paychex	1,701	5.73
9,611	PepsiCo	1,400	4.71
7,134	Procter & Gamble	867	2.92
4,525	Texas Instruments	633	2.13
	TOTAL NORTH AMERICA	15,567	52.42

**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	ASIA – 6.20% (31.01.23 – 5.11%)		
173,640	Link REIT	755	2.54
30,800	Nintendo	1,086	3.66
	TOTAL ASIA	<u>1,841</u>	<u>6.20</u>
	Portfolio of investments	29,007	97.67
	Net other assets	<u>693</u>	<u>2.33</u>
	Net assets	<u>29,700</u>	<u>100.00</u>

The investments are ordinary shares listed on a regulated market.

**TROJAN ETHICAL GLOBAL INCOME FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	1,134	Total sales for the half year £'000	2,798
Purchases	Cost £'000	Major sales	Proceeds £'000
Link REIT	444	Vonovia	370
Reckitt Benckiser	235	Hershey	327
Nintendo	143	Microsoft	313
CME	133	Boston Properties	279
Medtronic	90	PepsiCo	133
Roche	89	Unilever	114
		Johnson & Johnson	100
		Paychex	85
		Reckitt Benckiser	77
		CME	70

The summary of material portfolio changes represents all of the purchases and the 10 largest sales during the half year.



## TROJAN ETHICAL GLOBAL INCOME FUND INTERIM FINANCIAL STATEMENTS (UNAUDITED)

### STATEMENT OF TOTAL RETURN

for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital gains		536		577
Revenue	489		406	
Expenses	(108)		(32)	
Net revenue before taxation	381		374	
Taxation	(66)		(47)	
Net revenue after taxation		315		327
Total return before distributions		851		904
Distributions		(417)		(355)
Change in net assets attributable to shareholders from investment activities		434		549

### STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		30,359		21,539
Amounts receivable on issue of shares	1,998		12,868	
Amounts payable on redemption of shares	(3,495)		(1,394)	
		(1,497)		11,474
Dilution levy		4		-
Change in net assets attributable to shareholders from investment activities		434		549
Retained distributions on Accumulation shares		400		371
Closing net assets attributable to shareholders		29,700		33,933

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 31 January 2023.

**TROJAN ETHICAL GLOBAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	29,007	30,132
Current assets		
Debtors	109	92
Cash and bank balances	656	315
<b>Total assets</b>	<u>29,772</u>	<u>30,539</u>
<b>LIABILITIES</b>		
Creditors		
Distribution payable	(6)	(15)
Other creditors	(66)	(165)
<b>Total liabilities</b>	<u>(72)</u>	<u>(180)</u>
<b>Net assets attributable to shareholders</b>	<u>29,700</u>	<u>30,359</u>

**TROJAN ETHICAL GLOBAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 31 July 2023

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## TROJAN ETHICAL INCOME FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Ethical Income Fund ('the Fund') is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The investment policy of the Fund is to invest at least 80% of its assets in UK and overseas equities (including investment trusts and real estate investment trusts ('REITs')) and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities). At least 60% of its assets will be invested in UK equities and equity-related securities. A maximum of 30% of its assets may also be invested in overseas equities and equity-related securities.

The Fund may also invest in government and public securities (such as sovereign debt and treasury bills), corporate bonds, real estate (via REITs), private equity and cash equivalents (including money-market instruments). A maximum of 20% of the Fund's assets may be invested in cash and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to real estate will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

A document setting out a summary of the Fund's ethical exclusion criteria is available on the ACD's website [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk). The ethical exclusion criteria prohibit the Fund from investing in any company that generates revenues from fossil fuels, pornography, tobacco, alcohol, gambling, high interest rate lending and certain types of armaments which exceed the limits set out in the Fund's ethical exclusion criteria.

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

## TROJAN ETHICAL INCOME FUND

### ACD'S REPORT *continued*

#### Investment Objective and Policy *continued*

Where an investment is identified as not meeting the Fund's ethical exclusion criteria, the Investment Manager will seek to sell the investment within the following 90 days. The prices at which such an investment can be sold in these circumstances may be lower than the prices that might otherwise have been realised for the investment if such a sale was not required.

#### Benchmark

The Fund's comparator benchmark is the FTSE All-Share Index (Total Return).

The Fund's performance may be compared against the FTSE All-Share Index (Total Return) which may assist investors in evaluating the Fund's performance against GBP equity returns. The ACD believes that this is an appropriate comparator benchmark for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Ethical Income Fund

28 September 2023

## TROJAN ETHICAL INCOME FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Investment Review

The Fund's O Income share class returned +2.8% in the six months to July 2023. The FTSE All-Share Index (Total Return) ('FTSE All-Share') rose +0.8% over the same period. Inflation and interest rates continued to dominate the market narrative over the six-month period. UK core inflation (Core CPI growth) rose through much of the first half of the year, reaching 6.5% in May – the highest level since the early 1990s. Whilst this reading may represent peak inflation for this current economic cycle, the path for returning to the Bank of England's ('BoE') 2% target remains uncertain. The BoE has continued to hike interest rates; in the days immediately after the period end, the UK base rate was raised for the fourteenth consecutive time to 5.25%, having been as low as 0.1% in December 2021.

The magnitude and speed of interest rate rises is having acute and unpredictable impacts on the market. In September 2022, we witnessed a crisis in UK pensions. More recently, in March 2023, significant stress emerged in the US regional banking system. This resulted in Silicon Valley Bank's collapse, in what was the first major US bank run since the global financial crisis. Other banks across the world, including Credit Suisse, suffered varying degrees of contagion. Swift action by central bankers and regulators managed to contain the impact but markets were spooked, falling sharply in March.

However, the events led to investors speculating that we may see interest rate cuts by the year end, prompting a rebound in equity markets into April. Market resilience was supported by reasonably robust economic data throughout the period, particularly in the US but also in the UK, suggesting a chance of avoiding a harsh recession.

In contrast to the UK, US inflation has moderated considerably over the period. This divergence drove a strengthening of sterling against the US dollar to 1.29 by the period end, having been as low as 1.18 in March (and nearing parity during the mini-budget crisis back in September). This rally acted as a meaningful headwind to UK equity returns, given c.80% of revenues amongst FTSE All-Share companies are generated overseas. Nevertheless, the FTSE All-Share finished the period marginally higher than the start, even as interest rate expectations rose again in recent months.

Excitement around Artificial Intelligence ('AI'), in particular relating to the new 'generative AI' platform ChatGPT, contributed to a sharp rally in many tech stocks. Meta has risen 114% over the period while US chip manufacturer NVIDIA is up 139%, making the sector the dominant driver of US equity markets over six months. Consequently, the tech-heavy Nasdaq has delivered +24.4% over the same period while the MSCI World returned +11.4% and the tech-light MSCI World High Yield (USD TR) returned only 5.1%. The relatively modest return from the FTSE All-Share, which also has limited tech exposure, sits within this context.

### Portfolio Review

Positive contributors to the Fund's returns over the period included large holdings in stable, defensive businesses including RELX (the top contributor), Novartis, and Unilever. It has been pleasing to see continuing strength from these core holdings through volatile economic conditions. Some smaller holdings

## TROJAN ETHICAL INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

also demonstrated strong trading and share prices, including Diploma plc which was the third-largest contributor to returns. Domino's Pizza performed well, reflecting healthy revenue growth, market share gains, and robust cash generation. Pleasingly, newer holdings in Sage Group and London Stock Exchange Group were also among the top ten contributors.

Two of the weakest performers in the portfolio over the period were Financials holdings IntegraFin and St James's Place, reflecting cost of living pressures slowing the rate of new asset accumulation as well as concerns relating to new FCA regulation. We see both companies as cyclically depressed and expect them to rebound when market conditions improve. The Fund's two holdings in the Materials sector – Croda and Victrex – were also weak. Disruption to global activity over the past few years has continued to generate volatility in supply and demand patterns across many sectors. Following record volumes last year, both Croda and Victrex have seen some customer destocking and lower demand more recently. These are transitory factors that do not impact the long-term investment cases. We have added to both holdings.

Only one new position was added to the portfolio. In March a small position was started in Howden Joinery, the clear UK leader in supplying kitchens to the trade. Howden's superior scale leads to a significant cost advantage over competitors as well as better availability of stock at its nationwide network of c.800 depots. Howden has built close relationships with tradespeople over many years. Trade customers buy kitchens regularly, whereas retail customers might purchase a kitchen only once or twice in a lifetime, making trade business much more repetitive in nature. While demand for kitchens will be subdued this year due to economic pressures, we feel that earnings expectations and the stock's valuation capture this. Howden has a net cash balance sheet and is well placed to repeat its history of taking share in more difficult markets. The company pays a dividend that is twice covered by profits and the shares traded with an attractive dividend yield in excess of 3% at the time of purchase.

Elsewhere, we continued to build on the recent investment in London Stock Exchange Group and added to global testing, inspection, and certification company Intertek. The latter is seeing organic growth return following a difficult two years due to the pandemic restricting global trade. This is driving a return to strong cash flow and a restart in dividend growth.

We exited the Fund's small holding in PZ Cussons. In an environment of rapidly shifting expectations for inflation, interest rates and currencies, we have a preference for larger, blue chip consumer staples holdings. We also took some profits in overseas holdings Paychex and Procter & Gamble, both of which have performed strongly and currently trade at notable premiums to UK-listed peers.

Turning to dividends, the Fund announced an interim dividend for the O Income shares of 1.335p which will be paid to investors at the end of September. This represents 4.7% growth on last year's interim payout and follows the 3.3% growth delivered in the Fund's total dividend in the prior fiscal year. In spite of macro-economic uncertainty, we anticipate a year of robust dividend growth for the Fund in 2023/24. Our objective remains to deliver resilient, attractive dividend growth across the market cycle. We see the Fund as well-placed to achieve this.

## TROJAN ETHICAL INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

#### Outlook

Economic growth across western economies remains reasonably robust, resulting in the persistence of high inflation, particularly in the UK, where short-term interest rate expectations remain elevated. We are witnessing a significant lag between rates rising and their impact being felt in the real economy. This is likely exaggerated by the tightness of labour markets, loose fiscal policy during the pandemic and the partially fixed nature of the debt held by many consumers and corporates. This is resulting in a higher BoE Base Rate than many expected. We believe this will become meaningfully restrictive to economic growth and remain cautious about the UK's economic outlook.

We should remind ourselves however, that the UK market is not the UK economy. Close to 80% of the FTSE All-Share collective revenues come from outside of the UK, such is the uniquely global nature of the UK stock market. The Fund is similarly majority exposed to high-quality international businesses.

A further positive that balances our caution on the economy relates to UK equity valuations. We are finding free cash flow yields of high-quality companies to be increasingly attractive, particularly when compared to alternative equity markets. We will continue to prioritise high-quality, resilient businesses, capable of year-in, year-out dividend growth, in our aim to deliver resilient total returns and dividend growth to the Fund's investors.

#### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023



## TROJAN ETHICAL INCOME FUND

### ACD'S REPORT *continued*

### FUND INFORMATION

#### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Liquidity Risk:** Smaller companies' securities are often traded less frequently than those of larger companies which means they may be more difficult to buy and sell. Their prices may also be subject to short term swings.

**Ethical Investments:** The Fund is prevented from investing in certain sectors or companies. This narrower range may constrain the Fund's performance. If an investment no longer meets the ethical exclusion criteria it will be sold and the price obtained may be less than could be obtained if a forced sale was not required.

**Income Risk:** The amount of income is not guaranteed.

**Charges to Capital Risk:** As charges are taken from capital, this will erode capital and may constrain capital growth.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

**O INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	113.13	120.45	114.71	126.75
Return before operating charges*	3.04	(3.13)	9.91	(8.36)
Operating charges	(0.58)	(1.17)	(1.25)	(1.18)
Return after operating charges	2.46	(4.30)	8.66	(9.54)
Distributions	(1.34)	(3.02)	(2.92)	(2.50)
Closing net asset value per share	114.25	113.13	120.45	114.71
* after direct transaction costs of:	0.02	0.15	0.15	0.20

**PERFORMANCE**

Return after charges	2.17%	(3.57)%	7.55%	(7.53)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	12,102	13,783	15,574	23,810
Closing number of shares	10,592,697	12,183,414	12,930,179	20,757,356
Operating charges	1.02% <sup>1</sup>	1.02% <sup>1</sup>	1.02% <sup>1</sup>	1.02% <sup>1</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	118.23	122.23	130.41	130.54
Lowest share price	109.52	103.93	112.87	97.35

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 1.02%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	137.08	142.19	132.24	142.99
Return before operating charges*	3.68	(3.73)	11.40	(9.41)
Operating charges	(0.71)	(1.38)	(1.45)	(1.34)
Return after operating charges	2.97	(5.11)	9.95	(10.75)
Distributions	(1.62)	(3.58)	(3.38)	(2.83)
Retained distributions on accumulation shares	1.62	3.58	3.38	2.83
Closing net asset value per share	140.05	137.08	142.19	132.24
* after direct transaction costs of:	0.03	0.18	0.17	0.23

**PERFORMANCE**

Return after charges	2.17%	(3.59)%	7.52%	(7.52)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	29,480	31,308	28,007	24,086
Closing number of shares	21,050,273	22,838,957	19,696,910	18,213,415
Operating charges	1.02% <sup>1</sup>	1.02% <sup>1</sup>	1.02% <sup>1</sup>	1.02% <sup>1</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	143.26	144.28	151.84	147.24
Lowest share price	132.71	124.02	130.11	109.81

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 1.02%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	109.99	117.69	112.64	124.88
Return before operating charges*	2.96	(3.07)	9.75	(8.24)
Operating charges	(0.85)	(1.69)	(1.83)	(1.73)
Return after operating charges	2.11	(4.76)	7.92	(9.97)
Distributions	(1.30)	(2.94)	(2.87)	(2.27)
Closing net asset value per share	110.80	109.99	117.69	112.64
* after direct transaction costs of:	0.02	0.15	0.15	0.20

**PERFORMANCE**

Return after charges	1.92%	(4.04)%	7.03%	(7.98)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	76	80	33	32
Closing number of shares	68,307	72,974	28,096	28,279
Operating charges	1.52% <sup>1</sup>	1.52% <sup>1</sup>	1.52% <sup>1</sup>	1.52% <sup>1</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	114.81	119.32	127.47	128.57
Lowest share price	106.42	101.20	110.79	95.85

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 1.52%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	132.35	137.97	128.96	140.14
Return before operating charges*	3.54	(3.62)	11.11	(9.23)
Operating charges	(1.02)	(2.00)	(2.10)	(1.95)
Return after operating charges	2.52	(5.62)	9.01	(11.18)
Distributions	(1.56)	(3.47)	(3.29)	(2.77)
Retained distributions on accumulation shares	1.56	3.47	3.29	2.77
Closing net asset value per share	134.87	132.35	137.97	128.96
* after direct transaction costs of:	0.03	0.18	0.17	0.22

**PERFORMANCE**

Return after charges	1.90%	(4.07)%	6.99%	(7.98)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	232	251	134	129
Closing number of shares	171,962	189,602	97,036	99,696
Operating charges	1.52% <sup>1</sup>	1.52% <sup>1</sup>	1.52% <sup>1</sup>	1.52% <sup>1</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	138.15	139.87	147.39	144.27
Lowest share price	128.05	119.92	126.83	107.54

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 1.52%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES****(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	115.10	122.23	116.12	127.99
Return before operating charges*	3.09	(3.17)	10.03	(8.44)
Operating charges	(0.45)	(0.89)	(0.96)	(0.90)
Return after operating charges	2.64	(4.06)	9.07	(9.34)
Distributions	(1.36)	(3.07)	(2.96)	(2.53)
Closing net asset value per share	116.38	115.10	122.23	116.12
* after direct transaction costs of:	0.02	0.16	0.15	0.20

**PERFORMANCE**

Return after charges	2.29%	(3.32)%	7.81%	(7.30)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	83,373	93,346	88,489	69,625
Closing number of shares	71,637,355	81,098,222	72,392,798	59,960,536
Operating charges	0.77% <sup>1</sup>	0.77% <sup>1</sup>	0.77% <sup>1</sup>	0.77% <sup>1</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	120.36	124.10	132.32	131.83
Lowest share price	111.46	105.66	114.28	98.34

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.77%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	139.40	144.23	133.81	144.32
Return before operating charges*	3.73	(3.77)	11.53	(9.49)
Operating charges	(0.54)	(1.06)	(1.11)	(1.02)
Return after operating charges	3.19	(4.83)	10.42	(10.51)
Distributions	(1.65)	(3.64)	(3.43)	(2.86)
Retained distributions on accumulation shares	1.65	3.64	3.43	2.86
Closing net asset value per share	142.59	139.40	144.23	133.81
* after direct transaction costs of:	0.03	0.19	0.17	0.23

**PERFORMANCE**

Return after charges	2.29%	(3.35)%	7.79%	(7.28)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	396	387	538	229
Closing number of shares	277,584	277,584	373,184	170,797
Operating charges	0.77% <sup>1</sup>	0.77% <sup>1</sup>	0.77% <sup>1</sup>	0.77% <sup>1</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	145.76	146.42	153.99	148.63
Lowest share price	134.99	126.02	131.68	110.87

<sup>1</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.77%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21<sup>1</sup></b> pence per share
Opening net asset value per share	96.65	102.74	97.69	100.00
Return before operating charges*	2.59	(2.66)	8.45	0.60
Operating charges	(0.43)	(0.85)	(0.91)	(0.79)
Return after operating charges	2.16	(3.51)	7.54	(0.19)
Distributions	(1.14)	(2.58)	(2.49)	(2.12)
Closing net asset value per share	97.67	96.65	102.74	97.69
* after direct transaction costs of:	0.02	0.13	0.13	0.16

**PERFORMANCE**

Return after charges	2.23%	(3.42)%	7.72%	(0.19)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	108,076	111,850	124,549	121,759
Closing number of shares	110,653,068	115,732,458	121,230,878	124,633,875
Operating charges <sup>3</sup>	0.87%	0.87%	0.87%	0.87% <sup>2</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	101.03	104.29	111.22	103.67
Lowest share price	93.58	88.74	96.14	82.80

<sup>1</sup> 1 From 28 February 2020.

<sup>2</sup> Annualised figure due to share class launched less than 1 year.

<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.87%.



**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21<sup>1</sup></b> pence per share
Opening net asset value per share	103.80	107.51	99.84	100.00
Return before operating charges*	2.79	(2.82)	8.60	0.63
Operating charges	(0.46)	(0.89)	(0.93)	(0.79)
Return after operating charges	2.33	(3.71)	7.67	(0.16)
Distributions	(1.23)	(2.71)	(2.56)	(2.14)
Retained distributions on accumulation shares	1.23	2.71	2.56	2.14
Closing net asset value per share	106.13	103.80	107.51	99.84
* after direct transaction costs of:	0.02	0.14	0.13	0.16

**PERFORMANCE**

Return after charges	2.24%	(3.45)%	7.68%	(0.16)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	51,260	49,118	81,542	34,226
Closing number of shares	48,301,479	47,318,748	75,847,718	34,281,551
Operating charges <sup>3</sup>	0.87%	0.87%	0.87%	0.87% <sup>2</sup>
Direct transaction costs	0.02%	0.13%	0.12%	0.17%

**PRICES**

Highest share price	108.51	109.12	114.79	104.24
Lowest share price	100.51	93.87	98.24	82.80

<sup>1</sup> 1 From 28 February 2020.<sup>2</sup> Annualised figure due to share class launched less than 1 year.<sup>3</sup> The Investment Manager has agreed, on a discretionary basis, to waive a portion of their fee in order to seek to achieve an ongoing charges figure that does not exceed 0.87%.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Fund Performance to 31 July 2023 (%)**

	6 months	1 year	3 years	5 years
Trojan Ethical Income Fund	2.78	0.47	8.47	15.29
FTSE All-Share Index (Total Return) <sup>1</sup>	0.76	6.09	41.75	18.07

<sup>1</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	UNITED KINGDOM – 75.81% (31.01.23 – 76.08%)		
	TECHNOLOGY – 1.62% (31.01.23 – 1.30%)		
	SOFTWARE AND COMPUTER SERVICES – 1.62% (31.01.23 – 1.30%)		
493,908	Sage	4,625	1.62
	TOTAL TECHNOLOGY	<u>4,625</u>	<u>1.62</u>
	HEALTH CARE – 5.88% (31.01.23 – 6.12%)		
	PHARMACEUTICALS AND BIOTECHNOLOGY – 5.88% (31.01.23 – 6.12%)		
26,357	AstraZeneca	2,948	1.03
687,570	GSK	9,517	3.34
1,276,383	Haleon	4,293	1.51
	TOTAL HEALTH CARE	<u>16,758</u>	<u>5.88</u>
	FINANCIALS – 13.51% (31.01.23 – 14.06%)		
	FINANCE AND CREDIT SERVICES – 5.40% (31.01.23 – 5.81%)		
358,792	Experian	10,792	3.79
997,805	Schroders	4,582	1.61
		<u>15,374</u>	<u>5.40</u>
	INVESTMENT BANKING AND BROKERAGE SERVICES – 2.49% (31.01.23 – 2.39%)		
1,316,399	AJ Bell	4,315	1.51
1,140,160	IntegraFin	2,794	0.98
		<u>7,109</u>	<u>2.49</u>
	CLOSED END INVESTMENTS – 2.19% (31.01.23 – 2.41%)		
992,400	3i Infrastructure <sup>1</sup>	3,096	1.09
2,386,699	International Public Partnership <sup>1</sup>	3,141	1.10
		<u>6,237</u>	<u>2.19</u>

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	LIFE INSURANCE – 1.79% (31.01.23 – 2.30%)		
542,891	St. James's Place	5,103	1.79
	NON-LIFE INSURANCE – 1.64% (31.01.23 – 1.15%)		
219,412	Admiral	4,671	1.64
	TOTAL FINANCIALS	38,494	13.51
	REAL ESTATE – 4.11% (31.01.23 – 4.50%)		
	REAL ESTATE INVESTMENT TRUSTS – 4.11% (31.01.23 – 4.50%)		
6,094,997	Assura	2,887	1.01
291,189	Big Yellow	3,122	1.10
2,160,852	LondonMetric Property	3,991	1.40
1,815,028	Primary Health Properties	1,713	0.60
	TOTAL REAL ESTATE	11,713	4.11
	CONSUMER DISCRETIONARY – 30.53% (31.01.23 – 30.70%)		
	HOUSEHOLD GOODS AND HOME CONSTRUCTION – 5.46% (31.01.23 – 6.26%)		
266,706	Reckitt Benckiser	15,565	5.46
	PERSONAL GOODS – 6.98% (31.01.23 – 6.76%)		
474,718	Unilever	19,893	6.98
	MEDIA – 7.32% (31.01.23 – 6.96%)		
796,104	RELX	20,858	7.32
	RETAILERS – 2.42% (31.01.23 – 1.98%)		
424,929	Howden Joinery	3,132	1.10
53,235	Next	3,751	1.32
		6,883	2.42

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	TRAVEL AND LEISURE – 8.35% (31.01.23 – 8.74%)		
536,917	Compass	10,883	3.82
1,693,436	Domino's Pizza	5,883	2.06
122,306	InterContinental Hotels	7,040	2.47
		<u>23,806</u>	<u>8.35</u>
	TOTAL CONSUMER DISCRETIONARY	<u>87,005</u>	<u>30.53</u>
	CONSUMER STAPLES – 1.42% (31.01.23 – 1.01%)		
	BEVERAGES – 1.42% (31.01.23 – 1.01%)		
302,317	Fever-Tree Drinks	4,057	1.42
	TOTAL CONSUMER STAPLES	<u>4,057</u>	<u>1.42</u>
	INDUSTRIALS – 12.08% (31.01.23 – 11.03%)		
	INDUSTRIAL ENGINEERING – 2.34% (31.01.23 – 2.24%)		
2,160,263	Rotork	6,662	2.34
	INDUSTRIAL SUPPORT SERVICES – 9.74% (31.01.23 – 8.79%)		
329,399	Bunzl	9,503	3.33
201,985	Diploma	6,540	2.30
146,847	Intertek	6,404	2.25
62,608	London Stock Exchange	5,298	1.86
		<u>27,745</u>	<u>9.74</u>
	TOTAL INDUSTRIALS	<u>34,407</u>	<u>12.08</u>
	BASIC MATERIALS – 3.95% (31.01.23 – 4.15%)		
	CHEMICALS – 3.95% (31.01.23 – 4.15%)		
116,724	Croda International	6,875	2.41
284,220	Victrex	4,389	1.54
	TOTAL BASIC MATERIALS	<u>11,264</u>	<u>3.95</u>

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	UTILITIES – 2.71% (31.01.23 – 3.21%)		
	GAS, WATER AND MULTI-UTILITIES – 2.71% (31.01.23 – 3.21%)		
747,926	National Grid	7,715	2.71
	TOTAL UTILITIES	7,715	2.71
	TOTAL UNITED KINGDOM	216,038	75.81
	CONTINENTAL EUROPE – 9.15% (31.01.23 – 8.87%)		
105,998	Nestlé	10,156	3.56
107,266	Novartis	8,759	3.07
29,569	Roche	7,174	2.52
	TOTAL CONTINENTAL EUROPE	26,089	9.15
	NORTH AMERICA – 13.06% (31.01.23 – 12.96%)		
58,984	CME	9,117	3.20
76,587	Medtronic	5,224	1.83
96,939	Paychex	9,451	3.32
64,893	Procter & Gamble	7,886	2.77
29,954	Visa	5,536	1.94
	TOTAL NORTH AMERICA	37,214	13.06
	Portfolio of investments	279,341	98.02
	Net other assets	5,654	1.98
	Net assets	284,995	100.00

The investments are ordinary shares listed on a regulated market unless stated otherwise.

<sup>1</sup> Closed end fund.

**TROJAN ETHICAL INCOME FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	13,550	Total sales for the half year £'000	30,843
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
Howden Joinery	3,018	Novartis	2,875
Roche	1,438	Next	2,450
Intertek	1,415	Compass	2,372
Admiral	1,324	PZ Cussons	2,364
Integrafin	1,084	National Grid	2,104
Novartis	911	Experian	1,928
Nestlé	814	RELX	1,904
Victrex	677	Diploma	1,547
Assura	462	CME	1,512
Fever-Tree Drinks	460	InterContinental Hotels	1,429

The summary of material portfolio changes represents the 10 largest purchases and sales during the half year.

**TROJAN ETHICAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital gains/(losses)		2,774		(10,486)
Revenue	5,513		5,455	
Expenses	(1,274)		(1,429)	
Net revenue before taxation	4,239		4,026	
Taxation	(373)		(338)	
Net revenue after taxation		3,866		3,688
Total return before distributions		6,640		(6,798)
Distributions		(3,586)		(3,803)
Change in net assets attributable to shareholders from investment activities		3,054		(10,601)

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		300,123		338,866
Amounts receivable on issue of shares	13,406		57,532	
Amounts payable on redemption of shares	(32,528)		(71,349)	
Change in net assets attributable to shareholders from investment activities		3,054		(13,817)
Retained distributions on Accumulation shares		940		916
Closing net assets attributable to shareholders		284,995		315,364

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.



**TROJAN ETHICAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	279,341	293,856
Current assets		
Debtors	3,566	6,688
Cash and bank balances	4,877	3,942
<b>Total assets</b>	<u>287,784</u>	<u>304,486</u>
<b>LIABILITIES</b>		
Creditors		
Distribution payable	(2,378)	(3,374)
Other creditors	(411)	(989)
<b>Total liabilities</b>	<u>(2,789)</u>	<u>(4,363)</u>
<b>Net assets attributable to shareholders</b>	<u>284,995</u>	<u>300,123</u>

**TROJAN ETHICAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 31 July 2023

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## TROJAN GLOBAL INCOME FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Global Income Fund ('the Fund') is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The Fund's investment policy is to invest at least 80% of its assets globally in equities (including investment trusts and real estate investment trusts (REITs)) and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities). The Fund may also invest in government and public securities (such as sovereign debt and treasury bills), corporate bonds, real estate (via REITs), private equity, cash, cash equivalents (including money-market instruments) and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to real estate will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

The Fund has no particular geographic focus.

## TROJAN GLOBAL INCOME FUND

### ACD'S REPORT *continued*

#### Benchmarks

The Fund's comparator benchmarks are the MSCI World Index (Net Return) and the Investment Association Global Equity Income Sector (Net Return).

The Fund's performance may be compared against the following benchmarks (referred to as 'comparator benchmarks'): MSCI World Index (Net Return) is used as a comparator which may assist investors in evaluating the Fund's performance against global equity returns. The Fund also uses the Investment Association Global Equity Income Sector (Net Return) as a comparator as investors may find it useful to compare the performance of the Fund with the performance of a group of the Fund's peers. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Global Income Fund

28 September 2023

## TROJAN GLOBAL INCOME FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Market Review

US economic data continues to allay investors' fears of an imminent recession whilst inflationary pressures ease. This gave scope for the Federal Reserve to slow the pace of interest rate increases, offering some relief for equity valuations. The half year has not been without mishap for equity markets more broadly. Higher interest rates led to the rapid failure of several US regional banks. China's recovery from the pandemic has underwhelmed, creating a drag for commodity prices. More traditional and capital-intensive sectors, including energy, materials, utilities, and real estate, all underperformed. Developed markets led by the US substantially outperformed most emerging markets, including China. Sterling recovered against most major trading currencies.

These trends are a mirror-image of last year – the leading detractors in 2022 have become the greatest contributors so far this year, and *vice versa*. Sentiment has recovered from dismal levels as the global economy has proved more resilient than widely expected, and companies continue to grow whilst taking action to protect profitability. Meanwhile, excitement about the promise of generative Artificial Intelligence (AI) builds, such that performance in the year-to-date is centered on large technology companies perceived to be its major beneficiaries but which generally do not pay a dividend.

### Portfolio

The Fund returned +3.0% in the last six months, in line with the Investment Association Global Equity Income Sector (Net Return) return of +2.7%. This compares to +6.3% for the MSCI World Index (Net Return) highlighting the ongoing divergence between income bearing assets and the broader market. The key contributors in terms of sector were Information Technology, Industrials and Consumer Discretionary, whereas the key detractors were Communication Services, Consumer Staples and Real Estate (see below).

Related to the above sector performance, there was only one area where material changes were made to the portfolio in the period under review. We sold our holdings in both Vonovia and Boston Properties and re-invested the proceeds into LINK REIT as well as CME Group.

The Real Estate sector has been pressurised by the material and rapid rise in global interest rates. This has been in response to the inflationary impulse unleashed post-COVID. Real Estate companies are sensitive to changes in financing rates owing to higher levels of indebtedness than other companies in the portfolio. If bond yields remain elevated, it is likely that some companies will have to raise capital to shore up their balance sheets.

The first (and only one thus far) to do so in the portfolio, has been LINK REIT. This company is the biggest and (in our view) best managed REIT in Asia. It owns a diversified portfolio of assets including shopping centres and car parks in Hong Kong, as well as a limited number of investments in Australia and mainland China. The business capitalised on its reputation and scale to raise equity via a 1 for 5 rights issue. We participated in this to maintain our economic interest and to help the company be well placed to take advantage of others' distress. We added further to the shares once they were trading post-rights.

## TROJAN GLOBAL INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

This was funded from the sale of Boston Properties and Vonovia. Neither company has raised equity, yet both may need to do so at some stage. We therefore reinvested the capital from the sale of these two companies into the now re-capitalized LINK (as well as CME). This maintained exposure to the sector but materially reduced the risk of permanent capital loss.

We also made a small addition to our investment in Reckitt Benckiser which we consider to be high quality and excellent value.

#### Outlook

Notwithstanding the changes to our Real Estate investments our views and positioning are largely unchanged. We consider equity markets to be fully valued and the outlook uncertain. The rapid and material increase in interest rates, to quell inflation, tends to impact the economy with a long and variable lag. The fact that this is not yet fully evident should not be taken as an indication that the very sudden change in the cost of capital is unimportant.

Whereas 2022 saw equities suffer a derating owing to the change in the discount rate, we have yet to see earnings expectations decline. If we do see a widespread slowdown in economic activity in the coming quarters, this will be inevitable.

The underlying performance of our portfolio companies remains very satisfactory. Although, by definition, backward-looking, results have been robust. This resilience may be valuable in the coming months while we wait patiently to deploy capital in favoured, but still fully valued investment opportunities.

#### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## TROJAN GLOBAL INCOME FUND

### ACD'S REPORT *continued*

#### FUND INFORMATION

##### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Income Risk:** The amount of income is not guaranteed.

**Charges to Capital Risk:** As charges are taken from capital, this will erode capital and may constrain capital growth.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

**O INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	126.93	129.94	113.81	120.07
Return before operating charges*	2.53	2.17	20.74	(1.59)
Operating charges	(0.56)	(1.17)	(1.12)	(1.08)
Return after operating charges	1.97	1.00	19.62	(2.67)
Distributions	(2.08)	(4.01)	(3.49)	(3.59)
Closing net asset value per share	126.82	126.93	129.94	113.81
* after direct transaction costs of:	0.02	0.14	0.07	0.17

**PERFORMANCE**

Return after charges	1.55%	0.77%	17.24%	(2.22)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	477,408	559,031	354,363	237,146
Closing number of shares	376,450,610	440,419,436	272,722,021	208,376,031
Operating charges	0.88%	0.89%	0.90%	0.92%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	130.29	139.08	135.16	124.57
Lowest share price	121.93	124.92	110.83	101.27



**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	152.90	151.80	129.32	132.21
Return before operating charges*	3.04	2.48	23.76	(1.69)
Operating charges	(0.68)	(1.38)	(1.28)	(1.20)
Return after operating charges	2.36	1.10	22.48	(2.89)
Distributions	(2.52)	(4.74)	(4.01)	(4.00)
Retained distributions on accumulation shares	2.52	4.74	4.01	4.00
Closing net asset value per share	155.26	152.90	151.80	129.32
* after direct transaction costs of:	0.02	0.16	0.08	0.19

**PERFORMANCE**

Return after charges	1.54%	0.72%	17.38%	(2.19)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	343,627	312,956	172,781	116,261
Closing number of shares	221,328,727	204,678,270	113,820,428	89,902,712
Operating charges	0.88%	0.89%	0.90%	0.92%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	157.25	165.14	157.03	137.15
Lowest share price	148.09	146.44	125.94	111.50

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	123.18	126.73	111.44	118.04
Return before operating charges*	2.45	2.12	20.41	(1.39)
Operating charges	(0.85)	(1.77)	(1.69)	(1.63)
Return after operating charges	1.60	0.35	18.72	(3.02)
Distributions	(2.02)	(3.90)	(3.43)	(3.58)
Closing net asset value per share	122.76	123.18	126.73	111.44
* after direct transaction costs of:	0.02	0.13	0.07	0.16

**PERFORMANCE**

Return after charges	1.30%	0.28%	16.80%	(2.56)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	45	66	9	–
Closing number of shares	36,827	53,515	7,309	250
Operating charges	1.38%	1.39%	1.39%	1.42%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	126.29	135.27	131.88	122.45
Lowest share price	118.06	121.61	108.50	99.50

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	148.17	147.86	126.59	130.07
Return before operating charges*	2.94	2.40	23.22	(1.66)
Operating charges	(1.03)	(2.09)	(1.95)	(1.82)
Return after operating charges	1.91	0.31	21.27	(3.48)
Distributions	(2.44)	(4.61)	(3.91)	(3.93)
Retained distributions on accumulation shares	2.44	4.61	3.91	3.93
Closing net asset value per share	150.08	148.17	147.86	126.59
* after direct transaction costs of:	0.02	0.16	0.08	0.18

**PERFORMANCE**

Return after charges	1.29%	0.21%	16.80%	(2.68)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	2,601	2,950	2,651	2,362
Closing number of shares	1,733,258	1,990,581	1,792,794	1,865,731
Operating charges	1.38%	1.39%	1.40%	1.42%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	152.19	160.41	153.02	134.92
Lowest share price	143.42	142.56	123.24	109.62

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES***(REGISTERED CHARITIES ONLY)*

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	127.71	130.60	114.28	120.45
Return before operating charges*	2.55	2.19	20.83	(1.61)
Operating charges	(0.50)	(1.04)	(1.00)	(0.96)
Return after operating charges	2.05	1.15	19.83	(2.57)
Distributions	(2.10)	(4.04)	(3.51)	(3.60)
Closing net asset value per share	127.66	127.71	130.60	114.28
* after direct transaction costs of:	0.02	0.14	0.07	0.17

**PERFORMANCE**

Return after charges	1.61%	0.88%	17.35%	(2.13)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	14,575	13,019	12,280	11,048
Closing number of shares	11,417,313	10,194,018	9,402,804	9,667,174
Operating charges	0.78%	0.79%	0.80%	0.82%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	131.13	139.87	135.84	124.96
Lowest share price	122.73	125.61	111.30	101.60

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	152.90	151.66	129.07	131.82
Return before operating charges*	3.03	2.46	23.72	(1.68)
Operating charges	(0.60)	(1.22)	(1.13)	(1.07)
Return after operating charges	2.43	1.24	22.59	(2.75)
Distributions	(2.52)	(4.74)	(4.00)	(3.98)
Retained distributions on accumulation shares	2.52	4.74	4.00	3.98
Closing net asset value per share	155.33	152.90	151.66	129.07
* after direct transaction costs of:	0.02	0.16	0.08	0.19

**PERFORMANCE**

Return after charges	1.59%	0.82%	17.50%	(2.09)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	28	27	27	23
Closing number of shares	17,900	17,900	17,900	17,900
Operating charges	0.78%	0.79%	0.79%	0.82%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	157.28	165.08	156.87	136.76
Lowest share price	148.10	146.32	125.71	111.19

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***F INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	127.72	130.61	114.29	120.46
Return before operating charges*	2.55	2.19	20.83	(1.60)
Operating charges	(0.50)	(1.04)	(1.00)	(0.96)
Return after operating charges	2.05	1.15	19.83	(2.56)
Distributions	(2.10)	(4.04)	(3.51)	(3.61)
Closing net asset value per share	127.67	127.72	130.61	114.29
* after direct transaction costs of:	0.02	0.14	0.07	0.17

**PERFORMANCE**

Return after charges	1.61%	0.88%	17.35%	(2.13)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	117,823	81,586	75,129	62,643
Closing number of shares	92,287,410	63,879,269	57,521,897	54,813,365
Operating charges	0.78%	0.79%	0.80%	0.82%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	131.13	139.87	135.84	124.97
Lowest share price	122.74	125.62	111.31	101.61

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***F ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	153.80	152.56	129.84	132.60
Return before operating charges*	3.05	2.47	23.87	(1.69)
Operating charges	(0.60)	(1.23)	(1.15)	(1.07)
Return after operating charges	2.45	1.24	22.72	(2.76)
Distributions	(2.54)	(4.77)	(4.03)	(4.01)
Retained distributions on accumulation shares	2.54	4.77	4.03	4.01
Closing net asset value per share	156.25	153.80	152.56	129.84
* after direct transaction costs of:	0.02	0.16	0.08	0.19

**PERFORMANCE**

Return after charges	1.59%	0.81%	17.50%	(2.08)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	4,076	2,445	2,425	1,299
Closing number of shares	2,608,461	1,589,937	1,589,937	1,000,250
Operating charges	0.78%	0.79%	0.80%	0.82%
Direct transaction costs	0.01%	0.10%	0.06%	0.14%

**PRICES**

Highest share price	158.21	166.05	157.80	137.57
Lowest share price	148.98	147.18	126.45	111.85

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Distributions**

Share Class	First Interim 30.04.23 pence per share	Second Interim 31.07.23 pence per share
O Income	1.2981	0.7858
O Accumulation	1.5635	0.9565
I Income	1.2587	0.7643
I Accumulation	1.5142	0.9250
S Income	1.3060	0.7911
S Accumulation	1.5652	0.9573
F Income	1.3063	0.7906
F Accumulation	1.5730	0.9628

**Fund Performance to 31 July 2023 (%)**

	6 months	1 year	3 years	5 years
Trojan Global Income Fund	2.99	(0.93)	21.47	40.02
MSCI World Index (Net Return) <sup>1</sup>	6.30	7.33	42.03	57.73
Investment Association Global Equity Income Sector (Net Return) <sup>1</sup>	2.74	6.47	37.97	39.82

<sup>1</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.



**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	UNITED KINGDOM – 31.79% (31.01.23 – 31.44%)		
1,220,012	Admiral	25,974	2.70
1,885,217	British American Tobacco	49,308	5.14
1,084,141	Diageo	36,834	3.84
7,538,985	Domino's Pizza	26,190	2.73
529,332	Imperial Brands	9,734	1.01
403,839	InterContinental Hotels	23,245	2.42
828,687	Reckitt Benckiser	48,362	5.04
1,351,167	RELX	35,400	3.69
1,196,739	Unilever	50,149	5.22
	TOTAL UNITED KINGDOM	305,196	31.79
	CONTINENTAL EUROPE – 9.56% (31.01.23 – 10.57%)		
202,862	Nestlé	19,437	2.02
487,815	Novartis	39,833	4.15
133,983	Roche	32,508	3.39
	TOTAL CONTINENTAL EUROPE	91,778	9.56
	NORTH AMERICA – 52.23% (31.01.23 – 52.22%)		
67,934	Accenture	16,709	1.74
210,411	Automatic Data Processing	40,435	4.21
666,146	Cisco Systems	26,948	2.81
83,715	Clorox	9,857	1.03
284,952	CME	44,046	4.59
255,702	Coca-Cola	12,310	1.28
500,081	Fastenal	22,780	2.37
81,144	Hershey	14,588	1.52
253,814	Johnson & Johnson	33,066	3.44
106,620	McDonald's	24,296	2.53
420,823	Medtronic	28,707	2.99
132,096	Microsoft	34,492	3.59
536,550	Paychex	52,310	5.45
335,374	PepsiCo	48,863	5.09
549,731	Philip Morris International	42,593	4.43
236,830	Procter & Gamble	28,779	3.00
148,137	Texas Instruments	20,734	2.16
	TOTAL NORTH AMERICA	501,513	52.23

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	ASIA – 5.90% (31.01.23 – 4.56%)		
5,385,580	Link REIT	23,428	2.44
943,400	Nintendo	33,255	3.46
	TOTAL ASIA	<u>56,683</u>	<u>5.90</u>
	Portfolio of investments	955,170	99.48
	Net other assets	<u>5,013</u>	<u>0.52</u>
	Net assets	<u>960,183</u>	<u>100.00</u>

The investments are ordinary shares listed on a regulated market.

**TROJAN GLOBAL INCOME FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	56,938	Total sales for the half year £'000	64,484
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
Link REIT	14,765	Vonovia	11,711
Reckitt Benckiser	8,181	Hershey	9,931
Nintendo	6,009	Microsoft	8,686
CME	5,302	Boston Properties	7,831
Roche	3,103	Paychex	1,465
Medtronic	3,018	Reckitt Benckiser	1,464
Unilever	1,517	British American Tobacco	1,450
Paychex	1,439	PepsiCo	1,445
PepsiCo	1,409	Unilever	1,438
Philip Morris International	1,347	Philip Morris International	1,239

The summary of material portfolio changes represents the 10 largest purchases and sales during the half year.

**TROJAN GLOBAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital gains		2,368		21,916
Revenue	18,355		13,217	
Expenses	(4,230)		(3,183)	
Net revenue before taxation	14,125		10,034	
Taxation	(1,927)		(1,183)	
Net revenue after taxation		12,198		8,851
Total return before distributions		14,566		30,767
Distributions		(16,074)		(11,832)
Change in net assets attributable to shareholders from investment activities		(1,508)		18,935

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		972,080		619,665
Amounts receivable on issue of shares	69,227		337,653	
Amounts payable on redemption of shares	(85,120)		(29,402)	
		(15,893)		308,251
Change in net assets attributable to shareholders from investment activities		(1,508)		18,935
Retained distributions on Accumulation shares		5,504		4,159
Closing net assets attributable to shareholders		960,183		951,010

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.

**TROJAN GLOBAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	955,170	960,296
Current assets		
Debtors	3,200	5,694
Cash and bank balances	7,478	13,895
<b>Total assets</b>	<u>965,848</u>	<u>979,885</u>
<b>LIABILITIES</b>		
Creditors		
Distribution payable	(3,779)	(3,935)
Other creditors	(1,886)	(3,870)
<b>Total liabilities</b>	<u>(5,665)</u>	<u>(7,805)</u>
<b>Net assets attributable to shareholders</b>	<u>960,183</u>	<u>972,080</u>

**TROJAN GLOBAL INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 31 July 2023

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## TROJAN GLOBAL EQUITY FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Global Equity Fund ('the Fund') is to seek to achieve capital growth over the long term (at least 5 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The investment policy of the Fund is to invest globally and at least 80% of its assets in equities and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities). It may also invest in government and public securities (such as sovereign debt and treasury bills), money-market instruments, cash, cash equivalents and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts. It is anticipated that these funds will provide exposure to the asset classes listed above.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

The Fund has no particular geographic focus.

## TROJAN GLOBAL EQUITY FUND

### ACD'S REPORT *continued*

#### Benchmarks

The Fund's comparator benchmarks are the MSCI World Index (Net Return) and the Investment Association Global Sector (Total Return).

The Fund's performance may be compared against the following benchmarks (referred to as 'comparator benchmarks'): MSCI World Index (Net Return) is used as a comparator which may assist investors in evaluating the Fund's performance against global equity returns. The Fund also uses the Investment Association Global Sector (Total Return) as a comparator as investors may find it useful to compare the performance of the Fund with the performance of a group of the Fund's peers. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Global Equity Fund

28 September 2023



## TROJAN GLOBAL EQUITY FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Market Review

US economic data continues to allay fears of an imminent recession whilst inflationary pressures ease. This gave scope for the Federal Reserve to slow the pace of interest rates increases, offering some relief for equity valuations. The half year has not been without mishap for equity markets more broadly. Higher interest rates led to the rapid failure of several US regional banks. China's recovery from the pandemic has underwhelmed, creating a drag for commodity prices. More traditional and capital-intensive sectors, including energy, materials, utilities, and real estate, all underperformed. Developed markets led by the US substantially outperformed most emerging markets, including China. Sterling recovered against most major trading currencies.

These trends are a mirror-image of last year – the leading detractors in 2022 have become the greatest contributors so far this year, and *vice versa*. Sentiment has recovered from dismal levels as the global economy has proved more resilient than widely expected, and companies continue to grow whilst taking action to protect profitability. Meanwhile, excitement about the promise of generative artificial intelligence ('AI') builds, such that performance in the year-to-date is centred on large technology companies perceived to be its major beneficiaries.

### Portfolio Review

The Fund made good returns in the last six months, recovering from the negative results of the prior year, to deliver a return of +12.3%. This compares to +6.3% for the MSCI World Index (Net Return) and +4.0% for the Investment Association Global Sector.

The portfolio is not invested in any of the areas that lagged in the last six months – avoiding traditional and capital-intensive sectors, cited above, and anything listed in emerging markets. The portfolio has also performed well because it has sizable investments in Meta Platforms ('Meta'), Alphabet, Adobe and Microsoft, which were four of the top five contributors to returns in the six months. All four have expansive projects underway to bring generative AI to their various services.

Meta recovered very strongly by addressing many of the concerns that had led to its decline in the prior year – showing sustained user growth and engagement; traction for Reels, which competes directly with TikTok in short-form video; and adjustments to a bloated expense base. Alphabet has likewise shown resilience, improving growth and expense management, all helping to dispel macro-economic concerns and competitive fears centred on its continued dominance of search advertising. A flurry of new product announcements from Adobe show that generative AI can enhance the productivity of existing professional users of its flagship products (Photoshop, Illustrator etc.), increasing their loyalty and spending, whilst making Adobe's services more accessible for new and more casual users. Meanwhile, Adobe's financial results are strong and stable, consistent with healthy demand ahead of what is potentially a transformative

## TROJAN GLOBAL EQUITY FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

new product cycle. Lastly, whilst growth at Microsoft has slowed, the shares performed well thanks to the break-out success of ChatGPT, created by OpenAI, with whom Microsoft has a deep partnership. The adoption of generative AI augurs well for Microsoft's Azure cloud computing services, as well as the utility and monetisation of Microsoft's productivity tools.

The fifth largest contributor to the Fund's returns was Novartis. The company has produced encouraging clinical data from its drug pipeline whilst reporting better-than-expected revenue growth and profitability.

The five top detractors to the Fund's returns were Agilent Technologies, PayPal Holdings, American Express, Heineken Holdings and Visa. For the most part, this miscellaneous group has lagged because their reported results are under temporary pressure for various stock and sector-specific reasons.

Agilent's results are subdued as demand for its life science tools and related consumables moderate after a super-normal period of growth. Although PayPal has accelerated its revenue growth and much-improved its profitability, gross margins have suffered as unbranded payment processing outgrows higher-margin branded checkout experiences. We are optimistic that new management can correct this balance by reinvigorating its operational and competitive performance. Underlying trends remain very healthy at American Express and Visa as both companies annualise the sharp recovery in spending on cross-border travel. Heineken raised the prices of its beers to recover inflated input costs, depressing volumes sold, and its highly profitable Vietnamese business unexpectedly slowed.

Portfolio turnover remained elevated compared to the Fund's history as we sought to use continued volatility to make changes. There was one new purchase for the Fund and no exits, to end the period with 28 investments.

The Fund acquired a small holding in information services provider RELX (formerly Reed Elsevier). The company is the leading provider of data, software and research services to lawyers, corporates, and academics. It also has a world-leading trade-show business. We are attracted to RELX's exceptional financial productivity, the quality and diversity of its data assets, and the improving growth profile of its online professional publishing businesses. Recent advancements in AI have potential to be additive to the company's services because of its proprietary datasets, close customer relationships and maturing investment in this area. We expect RELX to be economically resilient because many of their products and services are sold on annual subscription and form an essential part of their users' daily work. The company has been well run by the same management team who over many years have successfully reinvested to digitise RELX's offering, enhancing its relevance and growth.

## TROJAN GLOBAL EQUITY FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

Elsewhere, larger transactions consisted of reductions to investments in Alphabet, Meta, Microsoft, and Moody's. Their higher share prices make their valuations less attractive than before. The funds were reallocated to Agilent Technologies, Roche, and Diageo. Whilst their recent share-price performance reflects a somewhat softer outlook in the near term, we believe their longer-term prospects are as bright as ever. They bring further diversification, stability, and value to the portfolio – helping to underpin our confidence in the Fund's potential.

#### Outlook

This remains a highly unusual and testing time for financial markets. The dramatic change in monetary conditions, shifts in the economic outlook, and post-pandemic reverberations are leading to heightened volatility. As we reflect on the last 18 months, the pattern of the Fund's performance has been far more variable than expected. Despite this we take encouragement from three things. First, current conditions further validate the expectation that great companies can become mispriced, leading us to make changes to the portfolio that we believe should enhance future returns. Second, a noisy environment can reward those with the patience to maintain a longer-term perspective. We take some pride in holding our nerve in the difficult moments of last year and keeping courage in our convictions. This is testament to the quality of Troy's team, its investment culture and business stability, all of which are conducive to long-term decision-making. And third, we are confident that there will be many future challenges to overcome, providing potential to further distinguish the portfolio's returns. These themes are explored in further detail in the Fund's latest Newsletter ([accessed here](#)).

We continue to see the Fund consisting of companies that are resilient to unexpected setbacks and adaptable to a rapidly changing economy. We view them as attractively valued for their exceptional financial productivity and prospects for steady growth.

#### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## TROJAN GLOBAL EQUITY FUND

### ACD'S REPORT *continued*

#### FUND INFORMATION

##### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 6 because its volatility has been measured as average to high.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Concentration Risk:** The Fund may hold a small number of investments. This means that a fall in the value of one investment will have a greater negative impact on the Fund's value than if it had a higher number of investments.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

**O INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	389.26	414.51	347.83	323.49
Return before operating charges*	44.64	(21.77)	70.36	27.95
Operating charges	(1.86)	(3.48)	(3.68)	(3.07)
Return after operating charges	42.78	(25.25)	66.68	24.88
Distributions	-	-	-	(0.54)
Closing net asset value per share	432.04	389.26	414.51	347.83
* after direct transaction costs of:	0.09	0.09	0.03	0.08

**PERFORMANCE**

Return after charges	10.99%	(6.09)%	19.17%	7.69%
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**OTHER INFORMATION**

Closing net asset value (£'000)	146,258	133,325	120,192	106,559
Closing number of shares	33,852,733	34,250,434	28,996,213	30,635,068
Operating charges	0.91%	0.91%	0.91%	0.91%
Direct transaction costs	0.02%	0.02%	0.01%	0.02%

**PRICES**

Highest share price	433.37	417.30	440.28	367.12
Lowest share price	375.93	348.73	349.28	269.23

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	471.79	502.38	421.55	391.43
Return before operating charges*	54.09	(26.37)	85.29	33.83
Operating charges	(2.25)	(4.22)	(4.46)	(3.71)
Return after operating charges	51.84	(30.59)	80.83	30.12
Distributions	-	-	-	(0.65)
Retained distributions on accumulation shares	-	-	-	0.65
Closing net asset value per share	523.63	471.79	502.38	421.55
* after direct transaction costs of:	0.11	0.11	0.04	0.09

**PERFORMANCE**

Return after charges	10.99%	(6.09)%	19.17%	7.69%
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**OTHER INFORMATION**

Closing net asset value (£'000)	298,766	254,741	279,598	237,239
Closing number of shares	57,056,538	53,995,145	55,654,355	56,277,518
Operating charges	0.91%	0.91%	0.91%	0.91%
Direct transaction costs	0.02%	0.02%	0.01%	0.02%

**PRICES**

Highest share price	525.24	505.77	533.59	444.92
Lowest share price	455.62	422.66	423.31	325.76

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	385.88	412.96	348.26	324.99
Return before operating charges*	44.22	(21.72)	70.40	28.03
Operating charges	(2.85)	(5.36)	(5.70)	(4.76)
Return after operating charges	41.37	(27.08)	64.70	23.27
Distributions	-	-	-	-
Closing net asset value per share	427.25	385.88	412.96	348.26
* after direct transaction costs of:	0.09	0.09	0.03	0.08

**PERFORMANCE**

Return after charges	10.72%	(6.56)%	18.58%	7.16%
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**OTHER INFORMATION**

Closing net asset value (£'000)	89	740	1,180	890
Closing number of shares	20,779	191,644	285,717	255,445
Operating charges	1.41%	1.41%	1.41%	1.41%
Direct transaction costs	0.02%	0.02%	0.01%	0.02%

**PRICES**

Highest share price	428.63	414.61	438.94	367.67
Lowest share price	372.44	346.78	349.70	270.28

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	427.69	457.70	385.99	360.21
Return before operating charges*	48.99	(24.07)	78.02	31.06
Operating charges	(3.16)	(5.94)	(6.31)	(5.28)
Return after operating charges	45.83	(30.01)	71.71	25.78
Distributions	-	-	-	-
Retained distributions on accumulation shares	-	-	-	-
Closing net asset value per share	473.52	427.69	457.70	385.99
* after direct transaction costs of:	0.10	0.10	0.03	0.08

**PERFORMANCE**

Return after charges	10.72%	(6.56)%	18.58%	7.16%
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**OTHER INFORMATION**

Closing net asset value (£'000)	2,971	8,160	8,901	9,137
Closing number of shares	627,470	1,908,040	1,944,755	2,367,212
Operating charges	1.41%	1.41%	1.41%	1.41%
Direct transaction costs	0.02%	0.02%	0.01%	0.02%

**PRICES**

Highest share price	475.05	459.53	486.49	407.50
Lowest share price	412.80	384.35	387.59	299.57



**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES****(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	390.15	415.25	348.10	323.72
Return before operating charges*	44.75	(21.80)	70.43	27.99
Operating charges	(1.66)	(3.10)	(3.28)	(2.73)
Return after operating charges	43.09	(24.90)	67.15	25.26
Distributions	-	(0.20)	-	(0.88)
Closing net asset value per share	433.24	390.15	415.25	348.10
* after direct transaction costs of:	0.09	0.09	0.03	0.08

**PERFORMANCE**

Return after charges	11.04%	(6.00)%	19.29%	7.80%
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**OTHER INFORMATION**

Closing net asset value (£'000)	14,631	13,080	15,360	12,886
Closing number of shares	3,377,138	3,352,623	3,698,918	3,701,713
Operating charges	0.81%	0.81%	0.81%	0.81%
Direct transaction costs	0.02%	0.02%	0.01%	0.02%

**PRICES**

Highest share price	434.56	418.28	440.99	367.65
Lowest share price	376.83	349.49	349.55	269.46

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	477.90	508.39	426.17	395.32
Return before operating charges*	54.81	(26.69)	86.24	34.19
Operating charges	(2.03)	(3.80)	(4.02)	(3.34)
Return after operating charges	52.78	(30.49)	82.22	30.85
Distributions	-	(0.25)	-	(1.07)
Retained distributions on accumulation shares	-	0.25	-	1.07
Closing net asset value per share	530.68	477.90	508.39	426.17
* after direct transaction costs of:	0.12	0.11	0.04	0.09

**PERFORMANCE**

Return after charges	11.04%	(6.00)%	19.29%	7.80%
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**OTHER INFORMATION**

Closing net asset value (£'000)	130	137	146	140
Closing number of shares	24,483	28,675	28,675	32,811
Operating charges	0.81%	0.81%	0.81%	0.81%
Direct transaction costs	0.02%	0.02%	0.01%	0.02%

**PRICES**

Highest share price	532.30	512.10	539.90	449.77
Lowest share price	461.59	427.88	427.94	329.05

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued*

## Fund Performance to 31 July 2023 (%)

	6 months	1 year	3 years	5 years
Trojan Global Equity Fund	12.28	9.83	27.88	61.96
MSCI World Index (Net Return) <sup>1</sup>	6.30	7.33	42.03	57.73
Investment Association Global Sector (Total Return) <sup>1</sup>	3.98	5.40	29.51	42.18

<sup>1</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	UNITED KINGDOM – 12.41% (31.01.23 – 9.54%)		
374,390	Diageo	12,720	2.75
604,056	Experian	18,170	3.93
85,321	London Stock Exchange	7,220	1.56
266,577	RELX	6,985	1.50
294,740	Unilever	12,351	2.67
	TOTAL UNITED KINGDOM	57,446	12.41
	CONTINENTAL EUROPE – 22.18% (31.01.23 – 22.27%)		
233,498	Alcon	15,493	3.35
392,435	Heineken	25,053	5.41
25,656	L'Oréal	9,300	2.01
12,464	LVMH Moët Hennessy Louis Vuitton	9,058	1.96
207,512	Novartis	16,944	3.66
110,483	Roche	26,806	5.79
	TOTAL CONTINENTAL EUROPE	102,654	22.18
	NORTH AMERICA – 61.64% (31.01.23 – 64.78%)		
39,861	Adobe Systems	16,922	3.66
144,850	Agilent Technologies	13,709	2.96
292,763	Alphabet 'A'	30,206	6.53
92,217	American Express	12,108	2.62
30,129	Becton Dickinson	6,524	1.41
7,183	Booking	16,591	3.58
208,898	Fiserv	20,491	4.43
40,552	Intuit	16,130	3.48
74,979	Mastercard 'A'	22,974	4.96
182,088	Medtronic	12,421	2.68
84,654	Meta Platforms	20,963	4.53
95,510	Microsoft	24,939	5.39
33,357	Moody's	9,143	1.98
241,012	PayPal	14,204	3.07
36,132	S&P Global	11,083	2.39
79,351	Take-Two Interactive Software	9,432	2.04
148,505	Visa	27,446	5.93
	TOTAL NORTH AMERICA	285,286	61.64

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	Portfolio of investments	445,386	96.23
	Net other assets	<u>17,459</u>	<u>3.77</u>
	Net assets	<u>462,845</u>	<u>100.00</u>

The investments are ordinary shares listed on a regulated market.

**TROJAN GLOBAL EQUITY FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	38,790	Total sales for the half year £'000	33,307
Purchases	Cost £'000	Sales	Proceeds £'000
RELX	6,809	Meta Platforms	8,733
Roche	6,807	Alphabet 'A'	6,454
Agilent Technologies	6,244	Adobe Systems	5,947
Diageo	5,564	Microsoft	4,288
Heineken	3,919	Moody's	4,285
Adobe Systems	3,271	L'Oréal	1,702
London Stock Exchange	2,247	Fiserv	1,265
Experian	2,213	S&P Global	633
PayPal	1,716		

The summary of material portfolio changes represents all of the purchases and sales during the half year.

**TROJAN GLOBAL EQUITY FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital gains/(losses)		43,788		(16,971)
Revenue	3,640		2,648	
Expenses	(1,941)		(1,828)	
Net revenue before taxation	1,699		820	
Taxation	(448)		(477)	
Net revenue after taxation		1,251		343
Total return before distributions		45,039		(16,628)
Distributions		–		–
Change in net assets attributable to shareholders from investment activities		45,039		(16,628)

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		410,183		425,377
Amounts receivable on issue of shares	19,638		6,400	
In-specie transfer	–		49,962	
Amounts payable on redemption of shares	(12,015)		(32,222)	
		7,623		24,140
Change in net assets attributable to shareholders from investment activities		45,039		(16,628)
Closing net assets attributable to shareholders		462,845		432,889

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.

**TROJAN GLOBAL EQUITY FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	445,386	396,202
Current assets		
Debtors	1,983	280
Cash and bank balances	16,069	14,328
<b>Total assets</b>	<u>463,438</u>	<u>410,810</u>
<b>LIABILITIES</b>		
Creditors		
Distribution payable	-	(7)
Other creditors	(593)	(620)
<b>Total liabilities</b>	<u>(593)</u>	<u>(627)</u>
<b>Net assets attributable to shareholders</b>	<u>462,845</u>	<u>410,183</u>



**TROJAN GLOBAL EQUITY FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 31 July 2023

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## TROJAN INCOME FUND ACD'S REPORT

for the half year ended 31 July 2023

### Important Information

Refer to the 'Important Information' section of the Company on page 10.

### Investment Objective and Policy

The investment objective of the Trojan Income Fund ('the Fund') is to seek to achieve income with the potential for capital growth in the medium term (3 to 5 years).

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The investment policy of the Fund is to invest at least 80% of its assets in UK equities (including investment trusts and real estate investment trusts ('REITs')) and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities). The Fund may also invest in overseas equities and equity-related securities, government and public securities (such as sovereign debt and treasury bills), corporate bonds, money-market instruments, real estate (via REITs), private equity, cash, cash equivalents and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to real estate will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.taml.co.uk](http://www.taml.co.uk).

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

The Investment Manager aims to construct a portfolio of investments not only to deliver income but also to grow in value over time. Therefore, the portfolio will contain dividend growth stocks but may also contain exposure to lower yield or non-yielding assets. Portfolio construction will predominantly be influenced by bottom-up stock selection (i.e. the fundamental analysis of individual stocks to assess factors including the quality and growth of profits and cash flows). Although careful attention is paid to diversification and the risk associated with concentrated exposures, the portfolio is managed without reference to sector or stock weightings of an index.

## TROJAN INCOME FUND

### ACD'S REPORT *continued*

#### Benchmarks

The Fund's comparator benchmarks are the FTSE All-Share Index (Total Return) and the Investment Association UK All Companies Sector (Total Return).

The Fund's performance may be compared against the FTSE All-Share Index (Total Return) which may assist investors in evaluating the Fund's performance against GBP equity returns. The Fund also uses the Investment Association UK All Companies Sector (Total Return) as a comparator as investors may find it useful to compare the performance of the Fund with the performance of a group of the Fund's peers. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Trojan Income Fund

28 September 2023

## TROJAN INCOME FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Investment Review

The Fund's O Income share class returned +2.2% in the six months to July 2023. The FTSE All-Share Index TR ('FTSE All-Share') rose +0.8% over the same period. Inflation and interest rates continued to dominate the market narrative over the six-month period. UK core inflation (Core CPI growth) rose through much of the first half of the year, reaching 6.5% in May – the highest level since the early 1990s. Whilst this reading may represent peak inflation for this current economic cycle, the path for returning to the Bank of England's ('BOE') 2% target remains uncertain. The BOE has continued to hike interest rates; in the days immediately after the period end, the UK base rate was raised for the fourteenth consecutive time to 5.25%, having been as low as 0.1% in December 2021.

The magnitude and speed of interest rate rises is having acute and unpredictable impacts on the market. In September 2022, we witnessed a crisis in UK pensions. More recently, in March 2023, significant stress emerged in the US regional banking system. This resulted in Silicon Valley Bank's collapse, in what was the first major US bank run since the global financial crisis. Other banks across the world, including Credit Suisse, suffered varying degrees of contagion. Swift action by central bankers and regulators managed to contain the impact but markets were spooked, falling sharply in March.

However, the events led to investors speculating that we may see interest rate cuts by the year end, prompting a rebound in equity markets into April. Market resilience was supported by reasonably robust economic data throughout the period, particularly in the US but also in the UK, suggesting a chance of avoiding a harsh recession.

In contrast to the UK, US inflation has moderated considerably over the period. This divergence drove a strengthening of sterling against the US dollar to 1.29 by the period end, having been as low as 1.18 in March (and nearing parity during the mini-budget crisis back in September). This rally acted as a meaningful headwind to UK equity returns, given c.80% of revenues amongst FTSE All-Share companies are generated overseas. Nevertheless, the FTSE All-Share finished the period marginally higher than the start, even as interest rate expectations rose again in recent months.

Excitement around Artificial Intelligence ('AI'), in particular relating to the new 'generative AI' platform ChatGPT, contributed to a sharp rally in many tech stocks. Meta has risen 114% over the period while US chip manufacturer NVIDIA is up 139%, making the sector the dominant driver of US equity markets over six months. Consequently, the tech-heavy Nasdaq has delivered +24.4% over the same period while the MSCI World returned +11.4% and the tech-light MSCI World High Yield (USD TR) returned only 5.1%. The relatively modest return from the FTSE All-Share, which also has limited tech exposure, sits within this context.

### Portfolio Review

Positive contributors to the Fund's returns over the period included large holdings in stable, defensive businesses including RELX (the top contributor), Unilever, and Compass Group. It has been pleasing to see continuing strength from these core holdings through volatile economic conditions. Some smaller holdings

## TROJAN INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

also demonstrated strong trading and share prices, including Diploma plc which was the second-largest contributor to returns. Domino's Pizza performed well, reflecting healthy revenue growth, market share gains, and robust cash generation. Pleasingly, newer holdings in Sage Group and London Stock Exchange Group were also among the top contributors.

After a strong performance last year, British American Tobacco was weak as cigarette volumes fell alongside price rises for consumers and as investors rotated away from last year's winners. Two of the weakest performers were Financials holdings IntegraFin and St James's Place, reflecting cost of living pressures slowing the rate of new asset accumulation as well as concerns relating to new FCA regulation. We see both companies as cyclically depressed and expect them to rebound when market conditions improve. The Fund's two holdings in the Materials sector – Croda and Victrex – were also weak. Disruption to global activity over the past few years has continued to generate volatility in supply and demand patterns across many sectors. Following record volumes last year, both Croda and Victrex have seen some customer destocking and lower demand more recently. These are transitory factors that do not impact the long-term investment cases. We have added to both holdings.

Three new positions were initiated in the period. The first was Swiss company Roche – one of the world's leading pharmaceutical and medical diagnostics companies. It has an enviable track-record of new drug innovation and owns a highly prized, growing, diagnostics business. The company earns high margins and returns on invested capital with minimal economic sensitivity, comfortably funding a dividend that has been grown consistently for 36 years. Roche shares have been weak in recent months and are inexpensive, trading with a current earnings yield of over 7% and dividend yield of 3.7%.

A small position was started in Howden Joinery, the clear UK leader in supplying kitchens to the trade. Howden's superior scale leads to a significant cost advantage over competitors as well as better availability of stock at its nationwide network of c.800 depots. Howden has built close relationships with tradespeople over many years. Trade customers buy kitchens regularly, whereas retail customers might purchase a kitchen only once or twice in a lifetime, making trade business much more repetitive in nature. While demand for kitchens will be subdued this year due to economic pressures, we feel that earnings expectations and the stock's valuation capture this. Howden has a net cash balance sheet and is well placed to repeat its history of taking share in more difficult markets. The company pays a dividend that is twice covered by profits and the shares traded with an attractive dividend yield in excess of 3% at the time of purchase.

Finally, we started a holding in Smiths Group, a longstanding UK engineering company with leading market shares, and robust margins and returns on invested capital. Smiths has four distinct segments, with its largest and best business being John Crane, the global leader in mechanical seals – critical products widely used in e.g. rotating equipment such as pumps for liquid or gas transportation. Smiths Group provides diverse industrial exposure across many sectors including energy, aerospace, and construction. Products and services are skewed to operational as opposed to capital expenditure meaning the company is much

## TROJAN INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

less cyclical and more predictable than some of its underlying industries. This reliability has supported 70 years of dividends that are comfortably covered by earnings and free cash flow. With signs of positive change from a refreshed management team, we see potential for strong growth, combined with an attractive current valuation of c.16x price/earnings and c.2.8% dividend yield.

Elsewhere, we continued to build on the recent holding London Stock Exchange Group and added to global testing, inspection, and certification company Intertek. The latter is seeing organic growth return following a difficult two years due to the pandemic restricting global trade. This is driving a return to strong cash flow and a restart in dividend growth.

We exited the Fund's small holding in GP surgery owner Primary Health Properties ('PHP'). In an environment of likely more persistent inflation and higher interest rates, we see challenges for PHP to achieve attractive earnings growth. We also took some profits in overseas holdings Paychex and Procter & Gamble, both of which have performed strongly and currently trade at notable premiums to UK-listed peers.

Turning to dividends, the Fund will pay an interim dividend of 1.892p to holders of O Income shares. This represents 3% growth on last year's interim payout and follows the 5% growth delivered in the Fund's total dividend in the prior fiscal year. In spite of macro-economic uncertainty, we anticipate a year of robust dividend growth for the Fund in 2023/24. Our objective remains to deliver resilient, attractive dividend growth across the market cycle. We see the Fund as well-placed to achieve this.

### Outlook

Economic growth across western economies remains reasonably robust, resulting in the persistence of high inflation, particularly in the UK, where short-term interest rate expectations remain elevated. We are witnessing a significant lag between rates rising and their impact being felt in the real economy. This is likely exaggerated by the tightness of labour markets, loose fiscal policy during the pandemic and the partially fixed nature of the debt held by many consumers and corporates. This is resulting in a higher Bank of England Base Rate than many expected. We believe this will become meaningfully restrictive to economic growth and remain cautious about the UK's economic outlook.

We should remind ourselves however, that the UK economy is not the UK market. Close to 80% of the FTSE All-Share's collective revenues come from outside of the UK, such is the uniquely global nature of the UK stock market. The Fund is similarly majority exposed to high-quality international businesses.

## TROJAN INCOME FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

A further positive that balances our caution on the economy relates to UK equity valuations. We are finding free cash flow yields of high-quality companies to be increasingly attractive, particularly when compared to alternative equity markets. We will continue to prioritise high-quality, resilient businesses, capable of year-in, year-out dividend growth, in our aim to deliver resilient total returns and dividend growth to the Fund's investors.

### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## TROJAN INCOME FUND

### ACD'S REPORT *continued*

### FUND INFORMATION

#### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 5 because its volatility has been measured as above average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Liquidity Risk:** The Fund may invest in assets where, in difficult market conditions, there is an increased risk that a position cannot be bought or sold in a timely manner or at a reasonable price.

**Income Risk:** The amount of income is not guaranteed.

**Charges to Capital Risk:** As charges are taken from capital, this will erode capital and may constrain capital growth.

S Income and S Accumulation shares available to registered charities only.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).



**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

**O INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	165.21	178.17	165.69	191.26
Return before operating charges*	3.33	(6.35)	18.98	(19.09)
Operating charges	(0.86)	(1.72)	(1.83)	(1.72)
Return after operating charges	2.47	(8.07)	17.15	(20.81)
Distributions	(1.89)	(4.89)	(4.67)	(4.76)
Closing net asset value per share	165.79	165.21	178.17	165.69
* after direct transaction costs of:	0.07	0.22	0.13	0.25

**PERFORMANCE**

Return after charges	1.50%	(4.53)%	10.35%	(10.88)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	112,254	132,836	187,689	254,193
Closing number of shares	67,709,932	80,406,011	105,343,633	153,411,469
Operating charges	1.03%	1.02%	1.02%	1.01%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	172.79	180.62	195.81	195.54
Lowest share price	159.82	154.28	162.10	140.72

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	339.88	356.17	322.83	362.19
Return before operating charges*	6.84	(12.83)	36.93	(36.09)
Operating charges	(1.77)	(3.46)	(3.59)	(3.27)
Return after operating charges	5.07	(16.29)	33.34	(39.36)
Distributions	(3.89)	(9.82)	(9.15)	(9.05)
Retained distributions on accumulation shares	3.89	9.82	9.15	9.05
Closing net asset value per share	344.95	339.88	356.17	322.83
* after direct transaction costs of:	0.14	0.44	0.25	0.48

**PERFORMANCE**

Return after charges	1.49%	(4.57)%	10.33%	(10.87)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	152,432	194,529	282,268	369,841
Closing number of shares	44,189,535	57,234,840	79,251,685	114,561,823
Operating charges	1.03%	1.02%	1.02%	1.01%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	355.46	361.03	385.21	370.24
Lowest share price	328.78	311.65	315.80	266.45

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	151.72	164.46	153.72	178.33
Return before operating charges*	3.05	(5.88)	17.60	(17.79)
Operating charges	(1.17)	(2.36)	(2.53)	(2.39)
Return after operating charges	1.88	(8.24)	15.07	(20.18)
Distributions	(1.73)	(4.50)	(4.33)	(4.43)
Closing net asset value per share	151.87	151.72	164.46	153.72
* after direct transaction costs of:	0.06	0.20	0.12	0.24

**PERFORMANCE**

Return after charges	1.24%	(5.01)%	9.80%	(11.32)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	2,983	11,412	14,069	16,416
Closing number of shares	1,964,444	7,521,154	8,554,634	10,679,287
Operating charges	1.53%	1.52%	1.52%	1.51%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	158.51	166.57	180.82	182.30
Lowest share price	146.45	141.91	150.33	131.12

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***I ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	318.93	335.88	305.97	344.99
Return before operating charges*	6.41	(12.10)	34.97	(34.37)
Operating charges	(2.46)	(4.85)	(5.06)	(4.65)
Return after operating charges	3.95	(16.95)	29.91	(39.02)
Distributions	(3.65)	(9.24)	(8.65)	(8.61)
Retained distributions on accumulation shares	3.65	9.24	8.65	8.61
Closing net asset value per share	322.88	318.93	335.88	305.97
* after direct transaction costs of:	0.13	0.41	0.24	0.46

**PERFORMANCE**

Return after charges	1.24%	(5.05)%	9.78%	(11.31)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	9,708	25,153	29,178	33,397
Closing number of shares	3,006,729	7,886,910	8,686,961	10,915,111
Operating charges	1.53%	1.52%	1.52%	1.51%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	333.16	340.16	363.44	352.61
Lowest share price	307.82	292.87	299.19	253.62

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S INCOME SHARES***(REGISTERED CHARITIES ONLY)*

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	172.98	186.09	172.62	198.75
Return before operating charges*	3.49	(6.64)	19.78	(19.84)
Operating charges	(0.68)	(1.36)	(1.44)	(1.34)
Return after operating charges	2.81	(8.00)	18.34	(21.18)
Distributions	(1.98)	(5.11)	(4.87)	(4.95)
Closing net asset value per share	173.81	172.98	186.09	172.62
* after direct transaction costs of:	0.07	0.23	0.13	0.26

**PERFORMANCE**

Return after charges	1.62%	(4.30)%	10.62%	(10.66)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	46,326	99,471	151,235	218,362
Closing number of shares	26,653,898	57,503,790	81,271,888	126,497,702
Operating charges	0.78%	0.77%	0.77%	0.76%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	181.03	188.73	204.46	203.22
Lowest share price	167.53	161.42	168.92	146.29

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***S ACCUMULATION SHARES**  
**(REGISTERED CHARITIES ONLY)**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	348.49	364.28	329.36	368.59
Return before operating charges*	7.02	(13.12)	37.69	(36.72)
Operating charges	(1.38)	(2.67)	(2.77)	(2.51)
Return after operating charges	5.64	(15.79)	34.92	(39.23)
Distributions	(3.99)	(10.06)	(9.34)	(9.22)
Retained distributions on accumulation shares	3.99	10.06	9.34	9.22
Closing net asset value per share	354.13	348.49	364.28	329.36
* after direct transaction costs of:	0.14	0.45	0.26	0.49

**PERFORMANCE**

Return after charges	1.62%	(4.33)%	10.60%	(10.64)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	8,332	8,266	8,874	11,929
Closing number of shares	2,352,692	2,371,847	2,435,945	3,621,832
Operating charges	0.78%	0.77%	0.77%	0.76%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	364.68	369.42	393.90	376.81
Lowest share price	337.48	319.31	322.25	271.25

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	91.60	98.64	91.59	105.56
Return before operating charges*	1.85	(3.52)	10.50	(10.53)
Operating charges	(0.41)	(0.81)	(0.87)	(0.81)
Return after operating charges	1.44	(4.33)	9.63	(11.34)
Distributions	(1.05)	(2.71)	(2.58)	(2.63)
Closing net asset value per share	91.99	91.60	98.64	91.59
* after direct transaction costs of:	0.04	0.12	0.07	0.14

**PERFORMANCE**

Return after charges	1.57%	(4.39)%	10.51%	(10.74)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	392,953	776,719	1,099,729	1,645,393
Closing number of shares	427,157,031	847,953,204	1,114,929,238	1,796,440,288
Operating charges	0.88%	0.87%	0.87%	0.86%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	95.84	100.02	108.39	107.93
Lowest share price	88.67	85.50	89.62	77.69

**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables** *continued***X ACCUMULATION SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	108.27	113.28	102.53	114.86
Return before operating charges*	2.17	(4.07)	11.72	(11.45)
Operating charges	(0.48)	(0.94)	(0.97)	(0.88)
Return after operating charges	1.69	(5.01)	10.75	(12.33)
Distributions	(1.24)	(3.12)	(2.91)	(2.87)
Retained distributions on accumulation shares	1.24	3.12	2.91	2.87
Closing net asset value per share	109.96	108.27	113.28	102.53
* after direct transaction costs of:	0.04	0.14	0.08	0.15

**PERFORMANCE**

Return after charges	1.56%	(4.42)%	10.48%	(10.73)%
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**OTHER INFORMATION**

Closing net asset value (£'000)	286,010	315,136	678,397	713,944
Closing number of shares	260,098,549	291,074,546	598,841,817	696,339,249
Operating charges	0.88%	0.87%	0.87%	0.86%
Direct transaction costs	0.04%	0.13%	0.07%	0.15%

**PRICES**

Highest share price	113.27	114.86	122.51	117.41
Lowest share price	104.80	99.23	100.31	84.51



**TROJAN INCOME FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Fund Performance to 31 July 2023 (%)**

	6 months	1 year	3 years	5 years
Trojan Income Fund	2.15	(1.47)	8.44	3.27
FTSE All-Share Index (Total Return) <sup>1</sup>	0.76	6.09	41.75	18.07
Investment Association UK All Companies Sector (Total Return) <sup>1</sup>	(0.12)	2.75	29.53	9.47

<sup>1</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per O Accumulation share which includes reinvested income.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**TROJAN INCOME FUND**  
**ACD'S REPORT** *continued*  
**PORTFOLIO STATEMENT**  
as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	UNITED KINGDOM – 85.62% (31.01.23 – 83.12%)		
	TECHNOLOGY 1.90% (31.01.23 – 1.04%)		
	SOFTWARE AND COMPUTER SERVICES – 1.90% (31.01.23 – 1.04%)		
2,046,899	Sage	19,167	1.90
	TOTAL TECHNOLOGY	<u>19,167</u>	<u>1.90</u>
	HEALTH CARE – 8.19% (31.01.23 – 7.38%)		
	PHARMACEUTICALS AND BIOTECHNOLOGY – 6.34% (31.01.23 – 7.38%)		
185,348	AstraZeneca	20,729	2.05
2,411,828	GSK	33,385	3.30
2,955,966	Haleon	9,941	0.99
	TOTAL HEALTH CARE	<u>64,055</u>	<u>6.34</u>
	FINANCIALS – 12.09% (31.01.23 – 13.34%)		
	FINANCE AND CREDIT SERVICES – 3.70% (31.01.23 – 3.99%)		
1,243,112	Experian	37,393	3.70
	INVESTMENT BANKING AND BROKERAGE SERVICES – 3.78% (31.01.23 – 4.36%)		
4,663,590	AJ Bell	15,287	1.51
4,296,926	IntegraFin	10,527	1.04
2,706,265	Schroders	12,427	1.23
		<u>38,241</u>	<u>3.78</u>
	CLOSED END INVESTMENTS – 0.64% (31.01.23 – 0.64%)		
2,073,347	3i Infrastructure <sup>1</sup>	6,469	0.64
	LIFE INSURANCE – 1.94% (31.01.23 – 2.43%)		
2,088,096	St. James's Place	19,628	1.94

**TROJAN INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	NON-LIFE INSURANCE – 2.03% (31.01.23 – 1.92%)		
964,102	Admiral	20,526	2.03
	TOTAL FINANCIALS	122,257	12.09
	REAL ESTATE – 2.88% (31.01.23 – 3.87%)		
	REAL ESTATE INVESTMENT TRUSTS – 2.88% (31.01.23 – 3.87%)		
13,393,576	Assura	6,343	0.63
553,086	Big Yellow	5,929	0.59
6,481,042	LondonMetric Property	11,970	1.18
551,851	Safestore	4,887	0.48
	TOTAL REAL ESTATE	29,129	2.88
	CONSUMER DISCRETIONARY – 32.36% (31.01.23 – 30.79%)		
	HOUSEHOLD GOODS AND HOME CONSTRUCTION – 6.47% (31.01.23 – 5.73%)		
1,121,153	Reckitt Benckiser	65,430	6.47
	PERSONAL GOODS – 7.63% (31.01.23 – 7.35%)		
1,841,358	Unilever	77,162	7.63
	MEDIA – 7.37% (31.01.23 – 6.77%)		
2,844,487	RELX	74,526	7.37
	RETAILERS – 2.57% (31.01.23 – 1.92%)		
1,706,716	Howden Joinery	12,578	1.24
190,312	Next	13,409	1.33
		25,987	2.57
	TRAVEL AND LEISURE – 8.32% (31.01.23 – 9.02%)		
1,908,979	Compass	38,695	3.83
6,593,415	Domino's Pizza	22,906	2.27
390,142	InterContinental Hotels	22,457	2.22
		84,058	8.32
	TOTAL CONSUMER DISCRETIONARY	327,163	32.36

**TROJAN INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	CONSUMER STAPLES – 10.86% (31.01.23 – 11.71%)		
	BEVERAGES – 8.02% (31.01.23 – 7.95%)		
1,994,913	Diageo	67,777	6.70
994,753	Fever-Tree Drinks	13,350	1.32
		<u>81,127</u>	<u>8.02</u>
	TOBACCO – 2.84% (31.01.23 – 3.76%)		
1,098,646	British American Tobacco	28,735	2.84
	TOTAL CONSUMER STAPLES	<u>109,862</u>	<u>10.86</u>
	INDUSTRIALS – 11.49% (31.01.23 – 8.57%)		
	GENERAL INDUSTRIALS – 1.32% (31.01.23 – 0.00%)		
784,635	Smiths	13,331	1.32
	INDUSTRIAL SUPPORT SERVICES – 10.17% (31.01.23 – 8.57%)		
1,206,030	Bunzl	34,794	3.44
655,130	Diploma	21,213	2.10
555,998	Intertek	24,247	2.40
266,136	London Stock Exchange	22,521	2.23
		<u>102,775</u>	<u>10.17</u>
	TOTAL INDUSTRIALS	<u>116,106</u>	<u>11.49</u>
	BASIC MATERIALS – 3.84% (31.01.23 – 4.24%)		
	CHEMICALS – 3.84% (31.01.23 – 4.24%)		
451,311	Croda International	26,582	2.63
795,549	Victrex	12,283	1.21
	TOTAL BASIC MATERIALS	<u>38,865</u>	<u>3.84</u>
	UTILITIES – 2.01% (31.01.23 – 2.18%)		
	GAS, WATER AND MULTI-UTILITIES – 2.01% (31.01.23 – 2.18%)		
1,966,742	National Grid	20,287	2.01
	TOTAL UTILITIES	<u>20,287</u>	<u>2.01</u>
	TOTAL UNITED KINGDOM	<u>865,605</u>	<u>85.62</u>

**TROJAN INCOME FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	CONTINENTAL EUROPE – 4.16% (31.01.23 – 2.63%)		
244,450	Nestlé	23,421	2.31
77,130	Roche	18,714	1.85
	TOTAL CONTINENTAL EUROPE	<u>42,135</u>	<u>4.16</u>
	NORTH AMERICA – 11.00% (31.01.23 – 11.95%)		
161,520	CME	24,967	2.47
293,049	Medtronic	19,991	1.98
285,619	Paychex	27,846	2.75
191,910	Procter & Gamble	23,320	2.31
81,510	Visa	15,064	1.49
	TOTAL NORTH AMERICA	<u>111,188</u>	<u>11.00</u>
	Portfolio of investments	1,000,214	98.93
	Net other assets	10,784	1.07
	Net assets	<u>1,010,998</u>	<u>100.00</u>

The investments are ordinary shares listed on a regulated market unless stated otherwise.

<sup>1</sup> Closed end fund.

**TROJAN INCOME FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	75,737	Total sales for the half year £'000	609,036
	Cost		Proceeds
Major purchases	£'000	Major sales	£'000
Roche	22,547	Unilever	40,005
Smiths	13,237	RELX	39,340
Howden Joinery	11,829	Diageo	38,488
Intertek	5,200	Compass	33,361
Sage	4,647	GSK	30,193
Bunzl	3,572	Reckitt Benckiser	25,299
Nestlé	3,556	Experian	25,176
Victrex	3,059	British American Tobacco	23,451
Croda International	2,457	CME	22,536
Safestore	2,435	Croda International	22,495

The summary of material portfolio changes represents the 10 largest purchases and sales during the half year.

**TROJAN INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital gains/(losses)		6,118		(58,767)
Revenue	21,205		32,563	
Expenses	(5,438)		(9,428)	
Net revenue before taxation	15,767		23,135	
Taxation	(791)		(832)	
Net revenue after taxation		14,976		22,303
Total return before distributions		21,094		(36,464)
Distributions		(14,319)		(23,227)
Change in net assets				
attributable to shareholders				
from investment activities		6,775		(59,691)

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Opening net assets attributable to shareholders		1,563,522		2,451,439
Amounts receivable on issue of shares	4,962		11,385	
Amounts payable on redemption of shares	(569,777)		(518,260)	
		(564,815)		(506,875)
Dilution levy		367		-
Change in net assets				
attributable to shareholders				
from investment activities		6,775		(59,691)
Retained distributions on Accumulation shares		5,149		6,901
Closing net assets attributable to shareholders		1,010,998		1,891,774

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.

**TROJAN INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*

**BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	1,000,214	1,527,523
Current assets		
Debtors	10,741	35,637
Cash and bank balances	15,954	30,097
<b>Total assets</b>	<u>1,026,909</u>	<u>1,593,257</u>
<b>LIABILITIES</b>		
Creditors		
Distribution payable	(6,324)	(18,859)
Other creditors	(9,587)	(10,876)
<b>Total liabilities</b>	<u>(15,911)</u>	<u>(29,735)</u>
<b>Net assets attributable to shareholders</b>	<u>1,010,998</u>	<u>1,563,522</u>



**TROJAN INCOME FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued*  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
for the half year ended 31 July 2023

**1. Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## CRYSTAL FUND

### ACD'S REPORT

for the half year ended 31 July 2023

#### Important Information

Refer to the 'Important Information' section of the Company on page 10.

#### Investment Objective and Policy

The investment objective of the Crystal Fund ('the Fund') is to seek to achieve growth in capital over the longer term (5 to 7 years) with a particular emphasis on preservation of capital.

Capital invested is at risk and there is no guarantee that a positive return will be delivered or that the investment objective will be achieved.

The Fund has flexibility to invest globally in the following asset classes: government and public securities (such as sovereign debt and treasury bills), corporate bonds, equities and equity-related securities (being instruments whose return is determined by the performance of a single underlying equity or a basket of equities), private equity, precious metals, cash, cash equivalents (including money-market instruments) and deposits.

The Fund may also invest in funds which may be open-ended or closed-ended (which may include other funds managed by the ACD, or Associates of the ACD or Investment Manager, or funds to which the Investment Manager, or its Associates, provides investment management services), such as collective investment schemes and funds which constitute transferable securities such as investment trusts and other transferable securities such as exchange traded commodities. It is anticipated that these funds will provide exposure to the asset classes listed above. Exposure to precious metals will be indirect.

The Fund will invest in line with the requirements of the Investment Manager's Climate Change Mitigation Policy. The asset classes to which the Investment Manager's Climate Change Mitigation Policy applies are set out in the policy on the Investment Manager's website at [www.tam1.co.uk](http://www.tam1.co.uk).

The Fund may use derivatives, including currency forwards and futures, for the purposes of Efficient Portfolio Management, including hedging.

The Fund has no particular geographic focus.

Exposure to asset classes will be varied and at times the Fund may have no exposure to a particular asset class. At times less than 50% of the Fund's portfolio may be invested in assets that are subject to the Investment Manager's Climate Change Mitigation Policy.

## CRYSTAL FUND

### ACD'S REPORT *continued*

#### Benchmarks

The Fund's comparator benchmarks are the UK Retail Prices Index, the FTSE All-Share Index (Total Return) and the UK Official Bank Rate.

The Fund's performance may be compared against the following benchmarks (referred to as 'comparator benchmarks'): The UK Retail Prices Index may be used as to compare the Fund's performance against a rate of UK inflation, the FTSE All-Share Index (Total Return) may be used as a comparator which may assist investors in evaluating the Fund's performance against GBP equity returns. The Fund also uses the UK Official Bank Rate as a comparator which may assist investors in evaluating the Fund's performance when compared with returns available from cash. The ACD believes that these are appropriate comparator benchmarks for the Fund given the investment objective and policy of the Fund.

#### LINK FUND SOLUTIONS LIMITED

ACD of Crystal Fund

28 September 2023

## CRYSTAL FUND

### ACD'S REPORT *continued*

## INVESTMENT MANAGER'S REPORT

for the half year ended 31 July 2023

### Market Review

During the period the Fund returned +0.9% (total return), the FTSE All-Share Index (Total Return) returned +0.8%. The UK Retail Price Index rose +3.9% and the UK Official Bank Rate was +2.2%.

The Fund began and finished the reporting period with a defensive asset allocation reflecting our view that markets have become more fragile given high equity valuations and the potential for higher interest rates to detrimentally impact corporate earnings.

Markets started the year in bullish mood with a reversal of the selling we witnessed throughout 2022. In general, equity valuations fell last year but didn't decline to levels that reflected the potential for recession. In our view, investor expectations remain too high.

This view was reinforced in March as the financial system creaked under the strain of higher interest rates. We witnessed the largest banking failure since the financial crisis, in the form of Silicon Valley Bank (SVB) in the US, and the swift demise of Credit Suisse in Europe. The Swiss bank was bought by UBS for CHF3.2bn, approximately 97% below the value it traded at 15 years ago. These were not the first rumblings of trouble. The UK's liability-driven investment (LDI) chaos last autumn was a hint of what happens when you have the fastest rate hiking cycle in decades. It was no surprise to see banks tighten lending standards in the wake of these events. This will make life a lot harder for sectors of the economy reliant on bank lending. Small businesses and commercial real estate are areas of particular risk. Funding difficulties for both will also have ramifications for the economy as a whole.

Despite these warning signs, consumers and businesses overall appear to be in rude health, with little visible impact from ever-higher interest rates. Several companies raised prices by double-digit percentages, with volumes remaining relatively unchanged compared to a year earlier, although we question how sustainable this is. In the US these severe price rises, needed to offset cost pressures and staff wage rises, are incompatible with the Federal Reserve's ('the Fed') goal to tame inflation.

Despite these and other evidence of inflationary pressures, investors expected the Fed to begin cutting interest rates toward the end of the summer and to continue this trend into next year. We are concerned that if the Fed begins to reduce rates substantially, it will not necessarily be good news for stock markets as it would likely reflect a rapidly slowing economy.

For investors, there are two important factors that require consideration. These are the ongoing effects of tighter monetary policy and the fact that the market's performance is being driven by only a handful of stocks. The latter is not uncommon in a bear market. As we head into an economic downturn, investors coalesce around an ever-smaller number of successful growth stocks. In the UK in 1989, it was Glaxo and Guinness (now Diageo); fund managers not holding these two stocks underperformed. In 2000, after the dot-com bubble burst, investors huddled around the safety of Cisco, IBM, Lucent and Intel. In the US in

## CRYSTAL FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

2023, it is large-cap tech stocks once more, with many shares reversing some of their 2022 losses. These are examples of stock market bubbles reigniting after periods of speculation and echoing what came before, rather than what might lie ahead. The narrower the stock market leadership, the less healthy the prospect for the wider market.

Gold represented 13% of the Fund at the end of July and declined -4% in sterling terms in the period under review. Nevertheless, gold hit an all-time high, in sterling terms, of £1,632 during the banking crisis in March, highlighting its credentials as a safe haven asset during times of trouble.

#### Portfolio

Portfolio turnover remained modest during the period under review.

Microsoft, Alphabet and Visa were reduced and Heineken was added to the Fund.

Heineken's shares have been dull, and the valuation now sits around the same level as its 2020 low. This follows difficult macroeconomic conditions in some of the company's emerging markets, in particular Vietnam. We have been following the business for many years and met with Heineken's CEO and CFO in March. This confirmed our enthusiasm for the business, which operates in the growing premium segment of the attractive beer category, with a strong portfolio of brands distributed over an attractively diversified range of geographic exposures. Around 70% of its profits come from fast-growing emerging markets. Current management are still early on in their tenure and are bringing renewed dynamism to the company's productivity, pricing and digitisation efforts. This combines with the company's long-term approach to capital allocation, supported by family ownership, and should lead to attractive value creation over the long run.

The duration of the portfolio's US Treasury Inflation-Protected Securities (TIPS) was modestly extended, by approximately half a year, to reflect the more attractive real yields on offer. We also added short-dated UK government bonds, yielding in excess of 5%, to the portfolio as stickier than expected inflation caused bond yields to rise.

#### Outlook

For the first time in 15 years savers are offered an acceptable risk-free rate. We can certainly see the appeal of short-dated UK government bonds yielding over 5% in the short term, although we are steering clear of corporate debt because credit spreads tend to widen in a downturn. Short-term yields today are at their most attractive relative to the earnings yields on equities since 2000 or 2007 – neither were great times to buy stocks. Short-dated bonds are liquid and provide flexibility for our asset allocation purposes, giving us dry powder.

In the longer term, we look to increase exposure to real assets, not nominal ones. We have the flexibility and the proven ability to asset allocate. In times of distress, as in 2008 and again in 2020, we have lent in and been prepared to take more risk, materially increasing exposure to equities. However, when it comes

## CRYSTAL FUND

### ACD'S REPORT *continued*

### INVESTMENT MANAGER'S REPORT *continued*

to positioning the portfolio cautiously in advance of an expected downturn, it is essential that we are early rather than late. This is how we succeeded in protecting capital in 2001-2, 2007-9 and in 2020. We never want to be selling into a falling market. That is when we need to be buying. We feel strongly that strategic asset allocation will once more come to the fore. Combined with a bias towards the shares of better-quality companies, this has driven our long-term returns to-date. And we are ready to act when the opportunities present themselves.

In this context, we were recently asked about the attractions of a one-year fixed deposit. However seductive the interest rate offered, we do not think that tying up capital just now holds much appeal. In current conditions one should retain as much flexibility as possible. Today there is a likelihood that asset prices predicated on zero rates will be repriced to pre-financial crisis levels. The good news is that investors are being paid to wait.

### TROY ASSET MANAGEMENT LIMITED

Investment Manager

16 August 2023

## CRYSTAL FUND

### ACD'S REPORT *continued*

#### FUND INFORMATION

##### Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains. The lowest number on the scale does not mean that a fund is risk free.

The Fund has been classed as 4 because its volatility has been measured as average.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this fund.

The risk and reward profile shown is not guaranteed to remain the same and may shift over time.

**Currency Risk:** As the Fund can be exposed to different currencies, changes in exchange rates may decrease the value of your investment.

**Counterparty Risk:** The failure of a firm involved in a transaction with the Fund or providing services to the Fund may expose the Fund to financial loss.

**Derivative Risk:** A derivative may not perform as expected and may create losses greater than its cost.

**Changes in Interest Rate Risk:** A rise in interest rates generally causes bond prices to fall.

**Credit Risk:** The value of a bond may be affected by its credit rating, the lower the rating the higher the risk of the issuer not paying interest or repaying the loan.

**Alternative Investment Risk:** The Fund may invest in other investment vehicles to gain indirect exposure to alternative investments, such as precious metals and private equity. Exposure to such investments can involve a higher degree of risk that may increase the risk of investment loss. The performance of such vehicles can be volatile and there is a risk that investors may experience a delay in receiving redemption proceeds.

For full details of the Fund's risks, please see the Prospectus which may be obtained upon application and can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

**CRYSTAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Table**

Information for 31 July 2023 relates to the 6 month period ending 31 July 2023. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 31 July 2023, expressed as an annualised percentage of the average net asset value.

Where the Fund has significant investment in collective investment schemes, exchange-traded funds and similar products, the operating charges figure takes account of the ongoing charges incurred in the underlying schemes, calculated as the expense value of such holdings at the half year end weighted against the net asset value of the share class at that date. Following an update to industry guidance, with effect from 1 July 2021, the operating charges figure also takes account of the ongoing charges incurred in closed end underlying schemes calculated as the expense value of such holdings at the half year end weighted against the net asset value of the share class at that date.

**INCOME SHARES**

<b>CHANGE IN NET ASSETS PER SHARE</b>	<b>31.07.23</b> pence per share	<b>31.01.23</b> pence per share	<b>31.01.22</b> pence per share	<b>31.01.21</b> pence per share
Opening net asset value per share	312.55	315.15	282.65	269.20
Return before operating charges*	3.52	1.11	36.00	17.88
Operating charges	(1.80)	(3.57)	(3.40)	(3.10)
Return after operating charges	1.72	(2.46)	32.60	14.78
Distributions	-	(0.14)	(0.10)	(1.33)
Closing net asset value per share	314.27	312.55	315.15	282.65
* after direct transaction costs of:	0.01	0.03	0.03	0.07

**PERFORMANCE**

Return after charges	0.55%	(0.78)%	11.53%	5.49%
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**OTHER INFORMATION**

Closing net asset value (£'000)	45,627	45,880	48,673	54,279
Closing number of shares	14,518,179	14,679,085	15,444,130	19,203,565
Operating charges	1.14%	1.14%	1.11% <sup>1</sup>	1.11% <sup>1</sup>
Direct transaction costs	-	0.01%	0.01%	0.02%

**PRICES**

Highest share price	319.55	325.13	325.31	289.33
Lowest share price	309.01	304.44	279.29	250.29

<sup>1</sup> The operating charges do not take account of the ongoing charges incurred in underlying schemes as the Fund did not have significant investments in collective investment schemes.



**CRYSTAL FUND****ACD'S REPORT** *continued***FUND INFORMATION** *continued***Fund Performance to 31 July 2023 (%)**

	6 months	1 year	3 years	5 years
Crystal Fund	0.85	(0.67)	11.32	28.58
UK Retail Prices Index <sup>1</sup>	3.86	9.03	27.19	32.84
FTSE All-Share Index (Total Return) <sup>1</sup>	0.76	6.09	41.75	18.07
UK Official Bank Rate <sup>1</sup>	2.24	3.60	4.24	5.57

<sup>1</sup> Source: Morningstar Direct.

The performance of the Fund is based on the published price per share with income reinvested.

The performance of the Fund disclosed in the above table may differ from the 'Return after charges' disclosed in the Comparative Table due to the above performance being calculated on the latest published price prior to the period end, rather than the period end return after operating charges.

**RISK WARNING**

An investment in an open-ended investment company should be regarded as a medium to long term investment. Investors should be aware that the price of shares and the income from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

**CRYSTAL FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	DEBT SECURITIES – 58.35% (31.01.23 – 51.25%)		
£2,100,000.00	UK Treasury 0.125% 31/1/2024	2,048	4.49
£535,000.00	UK Treasury 0.25% 31/1/2025	498	1.09
£2,594,000.00	UK Treasury 1.25% 22/7/2027	2,286	5.01
£1,975,000.00	UK Treasury 2.25% 7/9/2023	1,968	4.31
£2,390,000.00	UK Treasury 2.75% 7/9/2024	2,328	5.10
US\$2,745,000	US Treasury 4.5% 30/11/2024	2,112	4.63
US\$2,735,000	US Treasury Inflation Protected Securities 0.125% 15/7/2024	2,643	5.79
US\$2,108,000	US Treasury Inflation Protected Securities 0.125% 15/7/2026	1,955	4.28
US\$3,985,000	US Treasury Inflation Protected Securities 0.125% 15/1/2031	3,212	7.04
US\$1,150,000	US Treasury Inflation Protected Securities 0.375% 15/1/2027	1,057	2.32
US\$3,543,100	US Treasury Inflation Protected Securities 0.75% 15/2/2042	3,083	6.76
US\$1,460,000	US Treasury Inflation Protected Securities 0.875% 15/1/2029	1,298	2.85
US\$1,612,000	US Treasury Inflation Protected Securities 2.375% 15/1/2025	1,997	4.38
US\$182,000	US Treasury Inflation Protected Securities 2.5% 31/1/2024	139	0.30
	TOTAL DEBT SECURITIES	26,624	58.35
	EQUITIES – 25.70% (31.01.23 – 26.21%)		
	UNITED KINGDOM – 7.03% (31.01.23 – 7.00%)		
35,116	Diageo	1,193	2.62
13,650	Experian	411	0.90
38,267	Unilever	1,603	3.51
	TOTAL UNITED KINGDOM	3,207	7.03
	CONTINENTAL EUROPE – 5.41% (31.01.23 – 4.50%)		
5,890	Heineken	429	0.94
15,360	Nestlé	1,472	3.23
3,291	Pernod Ricard	565	1.24
	TOTAL CONTINENTAL EUROPE	2,466	5.41

**CRYSTAL FUND****ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 31 July 2023

Holding	Portfolio of Investments	Value £'000	31.07.23 %
	NORTH AMERICA – 13.26% (31.01.23 – 14.71%)		
3,728	Agilent Technologies	353	0.77
9,052	Alphabet 'A'	934	2.05
3,256	American Express	428	0.94
5,400	Becton Dickinson	1,169	2.56
4,486	Microsoft	1,171	2.57
898	Moody's	246	0.54
5,800	Procter & Gamble	705	1.54
5,652	Visa	1,045	2.29
	TOTAL NORTH AMERICA	6,051	13.26
	TOTAL EQUITIES	11,724	25.70
	COMMODITIES – 13.50% (31.01.23 – 13.73%)		
5,557	Franco-Nevada	630	1.38
12,823	Invesco Physical Gold ETC <sup>1</sup>	1,895	4.15
52,400	iShares Physical Gold ETC <sup>1</sup>	1,562	3.43
14,100	WisdomTree Physical Swiss Gold <sup>1</sup>	2,072	4.54
	TOTAL COMMODITIES	6,159	13.50
	FORWARD CURRENCY CONTRACTS – 0.45% (31.01.23 – 0.40%)		
US\$(4,997,000)	Vs £3,960,890 (expiry 15/8/2023) <sup>2</sup>	77	0.17
£(1,717,809)	Vs US\$2,190,000 (expiry 15/8/2023) <sup>2</sup>	(16)	(0.04)
US\$(9,132,000)	Vs £7,259,084 (expiry 15/9/2023) <sup>3</sup>	163	0.36
US\$(4,323,000)	Vs £3,342,521 (expiry 16/10/2023) <sup>3</sup>	(16)	(0.04)
	TOTAL FORWARD CURRENCY CONTRACTS	208	0.45
	Portfolio of investments <sup>4</sup>	44,715	98.00
	Net other assets	912	2.00
	Net assets	45,627	100.00

The investments are ordinary shares listed on a regulated market unless stated otherwise.

<sup>1</sup> Exchange traded commodity.

<sup>2</sup> Counterparty: BNY Mellon.

<sup>3</sup> Counterparty: UBS.

<sup>4</sup> Including investment liabilities.

**CRYSTAL FUND****ACD'S REPORT** *continued***SUMMARY OF MATERIAL PORTFOLIO CHANGES**

for the half year ended 31 July 2023

Total purchases for the half year £'000	9,630	Total sales for the half year £'000	6,346
Purchases	Cost £'000	Sales	Proceeds £'000
US Treasury Notes 4.5% 30/11/2024	2,266	Gold Bullion Securities	2,101
UK Treasury 1.25% 22/7/2027	2,263	UK Treasury 0.75% 22/7/2023	1,390
iShares Physical Gold ETC	1,637	US Treasury Inflation Protected Securities	
UK Treasury 2.75% 7/9/2024	1,373	2.875% 30/11/2023	1,190
US Treasury Inflation Protected Securities		Visa	688
0.125% 15/7/2026	498	US Treasury Inflation Protected Securities	
UK Treasury 0.25% 31/1/2025	496	2.5% 31/1/2024	522
Invesco Physical Gold ETC	462	American Express	229
Heineken	458	Alphabet 'A'	115
US Treasury Inflation Protected Securities		Microsoft	111
0.75% 15/2/2042	177		

The summary of material portfolio changes represents all of the purchases and sales during the half year.

**CRYSTAL FUND**  
**INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**STATEMENT OF TOTAL RETURN**  
for the half year ended 31 July 2023

	£'000	31.07.23 £'000	£'000	31.07.22 £'000
Income:				
Net capital (losses)/gains		(88)		431
Revenue	434		285	
Expenses	(256)		(264)	
Net revenue before taxation	178		21	
Taxation	(17)		(26)	
Net revenue after taxation		161		(5)
Total return before distributions		73		426
Distributions		–		–
Change in net assets attributable to shareholders from investment activities		73		426

**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**  
for the half year ended 31 July 2023

	31.07.23 £'000	31.07.22 £'000
Opening net assets attributable to shareholders	45,880	48,673
Amounts payable on redemption of shares	(500)	(2,395)
Change in net assets attributable to shareholders from investment activities	73	426
Unclaimed distributions	174	–
Closing net assets attributable to shareholders	45,627	46,704

The above statement shows the comparative closing net assets at 31 July 2022 whereas the current accounting period commenced 1 February 2023.

**CRYSTAL FUND****INTERIM FINANCIAL STATEMENTS (UNAUDITED)** *continued***BALANCE SHEET**

as at 31 July 2023

	31.07.23 £'000	31.01.23 £'000
<b>ASSETS</b>		
Fixed assets		
Investments	44,747	42,023
Current assets		
Debtors	85	562
Cash and bank balances	889	3,600
<b>Total assets</b>	<u>45,721</u>	<u>46,185</u>
<b>LIABILITIES</b>		
Investment liabilities	(32)	-
Creditors		
Distribution payable	-	(21)
Other creditors	(62)	(284)
<b>Total liabilities</b>	<u>(94)</u>	<u>(305)</u>
<b>Net assets attributable to shareholders</b>	<u>45,627</u>	<u>45,880</u>

## CRYSTAL FUND

### INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

#### NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the half year ended 31 July 2023

##### 1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 January 2023 and are described in those annual financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements have been prepared in accordance with the Statement of Recommended Practice ('SORP') for Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014, as amended.

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

## GENERAL INFORMATION

### Share Capital

The minimum share capital of the Company is £1 and the maximum share capital is £100,000,000,000.

### Structure of the Company

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority. On the introduction of any new sub-fund or class, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. The sub-funds which are currently available are:

- Trojan Fund
- Trojan Ethical Fund
- Trojan Ethical Global Income Fund
- Trojan Ethical Income Fund
- Trojan Global Income Fund
- Trojan Global Equity Fund
- Trojan Income Fund
- Crystal Fund

In the future there may be other sub-funds of the Company.

### Classes of Shares

The Company may issue Income and Accumulation shares in respect of each sub-fund.

Holders of Income shares are entitled to be paid the distributable income attributable to such shares on any relevant interim and annual allocation dates.

Holders of Accumulation shares are not entitled to be paid the income attributable to such shares, but that income is automatically transferred to (and retained as part of) the capital assets of the relevant sub-fund on the relevant interim and/or annual accounting dates. This is reflected in the price of an Accumulation share.

### Valuation Point

The current Valuation Point for the Trojan Fund, Trojan Ethical Fund, Trojan Ethical Income Fund, Trojan Global Equity Fund, Trojan Income Fund, Trojan Global Income Fund and Trojan Ethical Global Income Fund is 12.00 noon (London time) on each business day. The current Valuation Point of the Crystal Fund is 12.00 noon (London time) on each Thursday which is a business day and the last business day of every month. Valuations may be made at other times under the terms contained within the Prospectus.



## GENERAL INFORMATION *continued*

### Buying and Selling Shares

The ACD will accept orders to deal in the shares on normal business days between 8.30am and 5.30pm (London time) and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell shares may be either in writing to: PO Box 389, Darlington DL1 9UF or by telephone on 0345 608 0950.

### Prices

The prices of Class 'O' shares in the Trojan Fund, Trojan Ethical Fund, Trojan Ethical Income Fund, Trojan Income Fund, Trojan Global Income Fund, Trojan Global Equity Fund and Trojan Ethical Global Income Fund are published in the *Financial Times*. The prices of shares in the Crystal Fund are not currently published in the *Financial Times*. The prices of all shares are published on every dealing day on the ACD's website: [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk) and by calling 0345 608 0950 during the ACD's normal business hours.

### Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Documents and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on the ACD's website, [www.linkfundsolutions.co.uk](http://www.linkfundsolutions.co.uk).

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

### Data Protection Act

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

### Information for Swiss Qualified Investors

The distribution of shares of the Fund in Switzerland made exclusively to, and directed at, qualified investors ('Qualified Investors') as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended, and its implementing ordinance. The Swiss representative for the Fund is Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva. The Swiss paying agent for the Fund is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva, Switzerland. Investors in Switzerland can obtain the documents of the Fund, such as the Prospectus, the Key Investor Information Documents (edition for Switzerland), the Instrument of Incorporation, the latest annual or semi-annual report, and further information free of charge from the Swiss representative. The place of jurisdiction regarding the distribution of interests to

## GENERAL INFORMATION *continued*

qualified investors in Switzerland is Geneva. This document may only be issued, circulated or distributed in Switzerland to Qualified Investors. Recipients of the document in Switzerland should not pass it on to anyone other than a Qualified Investor. In respect of shares distributed in Switzerland the place of jurisdiction is at the registered office of the representative in Switzerland.

Each time performance data is published, it should be noted that the past performance is no indication of current or future performance, and that it does not take account of the commissions and costs incurred on the issue and redemption of shares.

# LINKGroup

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