

The Aurinko Fund

Annual Report

for the year ended 30 June 2025

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## The Aurinko Fund

### Report of the Authorised Corporate Director ('ACD')

Tutman Fund Solutions Limited ('TFSL') (previously Evelyn Partners Fund Solutions Limited), as ACD, presents herewith the Annual Report for The Aurinko Fund for the year ended 30 June 2025.

The Aurinko Fund ('the Company' or 'the Fund') is an authorised open-ended investment company with variable capital ('ICVC') further to an authorisation order dated 16 May 2001. The Company is incorporated under registration number IC000104. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL'), as published by the Financial Conduct Authority ('FCA').

The ACD is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Company consist predominantly of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The Financial Stability Board ('FSB') created the Task Force on Climate-related Financial Disclosures ('TCFD') to improve and increase reporting of climate-related financial information. TFSL have produced TCFD reports in compliance with the FCA's rules on climate-related financial disclosures. The TCFD Product report is designed to help you understand the impact the Company has on the climate and equally how climate change could influence the performance of the Company. The report will also give you the ability to compare a range of climate metrics with other funds. To understand the governance, strategy, and risk management that TFSL has in place to manage the risks and opportunities related to climate change, please refer to the TCFD Entity report. These reports are available on our website <https://www.tutman.co.uk/literature>.

The shareholders are not liable for the debts of the Company.

The Company has no Directors other than the ACD.

The Instrument of Incorporation can be inspected at the offices of the ACD.

Copies of the Prospectus and Key Investor Information Document ('KIID') are available on request free of charge from the ACD.

#### Investment objective and policy

The investment objective of the Company is to provide income and capital growth from a diversified portfolio of mainly equities spread across global markets. There will be no emphasis placed on any particular economic, industrial or geographical sector.

The Company may also invest in other transferable securities, collective investment schemes, warrants, money market instruments, cash and near cash.

Derivatives may be employed by the Company for the purposes of Efficient Portfolio Management. The use of derivatives for Efficient Portfolio Management is not intended to increase the risk profile of the Company.

## Report of the Authorised Corporate Director (continued)

### Changes affecting the Company in the year

On 30 June 2025, Thesis Holdings Limited bought Evelyn Partners Fund Solutions Limited. Following the completion of the acquisition of Evelyn Partners Fund Solutions Limited, the Company has been renamed to Tutman Fund Solutions Limited.

Further information in relation to the Company is illustrated on page 58.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook, we hereby certify the Annual Report on behalf of the ACD, Tutman Fund Solutions Limited.

Neil Coxhead  
Director  
Tutman Fund Solutions Limited  
15 October 2025

## Statement of the Authorised Corporate Director's responsibilities

The Collective Investment Schemes sourcebook ('COLL') published by the FCA, requires the Authorised Corporate Director ('ACD') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net capital gains on the scheme property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for the Financial Statements of UK Authorised Funds ('the SORP') issued by The Investment Association in May 2014 and amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- taking reasonable steps for the prevention and detection of fraud and irregularities; and
- the maintenance and integrity of the Company's information on the ACD's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

COLL also requires the ACD to carry out an Assessment of Value on the Company previously published within the Annual Report, this assessment can now be found on the ACD's website at:

<https://www.futman.co.uk/literature/>.

The ACD is responsible for the management of the Company in accordance with the Instrument of Incorporation, the Prospectus and COLL.

## Report of the Depositary to the shareholders of The Aurinko Fund

### Depositary's responsibilities

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together 'the Regulations'), the Instrument of Incorporation and Prospectus (together 'the Scheme documents') as detailed below.

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

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

The Depositary must ensure that:

- the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- the Company's revenue is applied in accordance with the Regulations; and
- the instructions of the Authorised Corporate Director ('ACD') are carried out (unless they conflict with the Regulations).

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

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

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's revenue in accordance with the Regulations and the Scheme documents of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited  
15 October 2025

## Independent Auditor's report to the shareholders of The Aurinko Fund

### Opinion

We have audited the financial statements of The Aurinko Fund (the 'Company') for the year ended 30 June 2025, which comprise the Statement of total return, Statement of change in net assets attributable to shareholders, Balance sheet, the related Notes to the financial statements, including significant accounting policies and the Distribution table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Company as at 30 June 2025 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes sourcebook (COLL Rules) of the Financial Conduct Authority and the Instrument of Incorporation.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Authorised Corporate Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the Authorised Corporate Director with respect to going concern are described in the relevant sections of this report.

### Other Information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Authorised Corporate Director is responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on Other Matters Prescribed by the COLL Rules

In our opinion, based on the work undertaken in the course of the audit:

- Proper accounting records for the Company have been kept and the accounts are in agreement with those records;
- We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- The information given in the Report of the Authorised Corporate Director for the year is consistent with the financial statements.

## Independent Auditor's report to the shareholders of The Aurinko Fund (continued)

### Responsibilities of the Authorised Corporate Director

As explained more fully in the Statement of the Authorised Corporate Director's responsibilities set out on page 4, the Authorised Corporate Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Authorised Corporate Director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor Responsibilities for the Audit of the Financial Statements

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

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

### *Extent to which the audit was considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds;
- The Financial Conduct Authority's COLL Rules; and
- The Company's Prospectus.

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of the Authorised Corporate Director. We corroborated these enquiries through our review of submitted returns, external inspections, relevant correspondence with regulatory bodies and the Company's breaches register.



## Independent Auditor's report to the shareholders of The Aurinko Fund (continued)

### Auditor Responsibilities for the Audit of the Financial Statements (continued)

#### *Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)*

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk. We identified a heightened fraud risk in relation to:

- Management override of controls; and
- The completeness and classification of special dividends between revenue and capital.

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing the level of and reasoning behind the Company's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Corporate Director in its calculation of accounting estimates for potential management bias;
- Using a third-party independent data source to assess the completeness of the special dividend population and determining whether special dividends recognised were revenue or capital in nature with reference to the underlying circumstances of the investee companies' dividend payments;
- Assessing the Company's compliance with the key requirements of the Collective Investment Schemes sourcebook and its Prospectus;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the IA Statement of Recommended Practice for Authorised Funds; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

### Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the COLL Rules issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP  
Chartered Accountants  
Statutory Auditor  
Bishop's Court  
29 Albyn Place  
Aberdeen AB10 1YL  
15 October 2025

## Accounting policies of The Aurinko Fund

for the year ended 30 June 2025

### a Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They have been prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ('FRS 102') and in accordance with the Statement of Recommended Practice for UK Authorised Funds ('the SORP') published by The Investment Association in May 2014 and amended in June 2017, and the requirements of the Collective Investment Schemes sourcebook ('COLL').

The ACD has considered a detailed assessment of the Fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Fund continues to be open for trading and the ACD is satisfied the Fund has adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

### b Valuation of investments

The purchases and sales of investments are included up to close of business on the last business day of the accounting year.

Purchases and sales of investments are recognised when a legally binding and unconditional right to obtain, or an obligation to deliver an asset arises.

The quoted investments of the Fund have been valued at the global closing bid-market prices excluding any accrued interest in the case of debt securities ruling on the principal markets on which the stocks are quoted on the last business day of the accounting year.

Collective investment schemes are valued at the bid price for dual priced funds and at the single price for single priced funds and are valued at their most recent published price prior to the close of business valuation on 30 June 2025.

Derivatives are valued at the price which would be required to close out the contract at the balance sheet date.

### c Foreign exchange

The base currency of the Fund is UK sterling which is taken to be the Fund's functional currency.

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. The resulting exchange differences are disclosed in note 2 of the Notes to the financial statements.

Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rate prevailing at the balance sheet date.

### d Revenue

Revenue is recognised in the Statement of total return on the following basis:

Dividends from quoted equity instruments and non equity shares are recognised as revenue, net of attributable tax credits on the date when the securities are quoted ex-dividend.

Overseas dividends are recognised as revenue gross of any withholding tax and the tax consequences are recognised within the tax expense.

Distributions from collective investment schemes are recognised as revenue on the date the securities are quoted ex-dividend. Equalisation on distributions from collective investment schemes is deducted from the cost of the investment and does not form part of the Fund's distribution.

Distributions from collective investment schemes which are re-invested on behalf of the Fund are recognised as revenue on the date the securities are quoted ex-dividend and form part of the Fund's distribution.

Excess reportable income from reporting offshore funds is recognised as revenue when the reported distribution rate is available and forms part of the Fund's distribution.

Compensation is treated as either revenue or capital in nature depending on the facts of each particular case.

## Accounting policies of The Aurinko Fund (continued)

for the year ended 30 June 2025

### d Revenue (continued)

Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case.

Interest on bank deposits and short term deposits is recognised on an accruals basis.

Interest on debt securities is recognised on an accruals basis, taking into account the effective yield on the investment. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Fund. The effective yield is a calculation that amortises any discount or premium on the purchase of an investment over its remaining life based on estimated cash flows. The amortised amounts form part of the distributable revenue and are calculated weekly and at each month end.

### e Expenses

All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accrual basis.

Bank interest paid is charged to revenue.

### f Allocation of revenue and expenses to multiple share types

All revenue and expenses which are directly attributable to a particular share type are allocated to that type. All revenue and expenses which are attributable to the Fund are allocated to the Fund and are normally allocated across the share types pro rata to the net asset value of each type on a daily basis.

### g Taxation

Tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of tax losses available to carry forward are recognised as an asset when it is probable that future taxable profits will be available, against which these losses can be utilised.

UK corporation tax is provided as amounts to be paid/recovered using the tax rates and laws that have been enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at 30 June 2025 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Provision for deferred tax assets are only made to the extent the timing differences are expected to be of future benefit.

All foreign dividend revenue is recognised as a gross amount which includes any withholding tax deducted at source. Where foreign tax is withheld in excess of the applicable treaty rate a tax debtor is recognised to the extent that the overpayment is considered recoverable.

When a disposal of a holding in a non-reporting offshore fund is made, any gain is an offshore income gain and tax will be charged to capital. There may be instances where tax relief is due to revenue for the utilisation of excess management expenses.

### h Efficient Portfolio Management

Where appropriate, certain permitted instruments such as derivatives or forward currency contracts may be used for Efficient Portfolio Management purposes. Where such instruments are used to protect or enhance revenue, the revenue or expenses derived therefrom are included in the Statement of total return as revenue related items and form part of the distribution. Where such instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in the Statement of total return as capital related items.

## Accounting policies of The Aurinko Fund (continued)

for the year ended 30 June 2025

### *i Dilution levy*

The need to charge a dilution levy will depend on the volume of sales or redemptions. The ACD may charge a discretionary dilution levy on the sale and redemption of shares if, in its opinion, the existing shareholders (for sales) or remaining shareholders (for redemptions) might otherwise be adversely affected, and if charging a dilution levy is, so far as practicable, fair to all shareholders and potential shareholders. Please refer to the Prospectus for further information.

### *j Distribution policies*

#### *i Basis of distribution*

The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to income shares are paid to shareholders. Distributions attributable to accumulation shares are re-invested in the Fund on behalf of the shareholders.

#### *ii Unclaimed distributions*

Distributions to shareholders outstanding after 6 years are taken to the capital property of the Fund.

#### *iii Revenue*

All revenue is included in the final distribution with reference to policy d.

#### *iv Expenses*

Expenses incurred against the revenue of the Fund are included in the final distribution, subject to any expense which may be transferred to capital for the purpose of calculating the distribution, with reference to policy e.

## Investment Manager's report - Adam & Company Investment Management Limited

For the portfolio managed by Adam & Company Investment Management Limited, who managed 46.14% of the Fund's assets at the balance sheet date in accordance with the investment objective and policy of the Fund.

### Investment performance\*

Portfolio performance\*\*: +6.73%.

Comparative benchmark\*\* (IA Mixed Investment 40-85% Shares sector): +5.55%.

Standard Chartered, the UK listed bank was the portfolio's top contributor to performance, returning +71% over the twelve-month period to end June 2025. The financials sector has had a stellar period on the back of higher-for-longer interest rates (as rate cuts were slower to emerge than previously anticipated) and economic growth has remained positive. Bank balance sheets are also in very healthy positions. Insurance company Prudential (+30%) and asset manager M&G (+38%) also delivered strong returns in the period.

Elsewhere, the US technology sector finished the period well, with Artificial Intelligence ('AI') enthusiasm remaining elevated. Baillie Gifford Overseas Growth Funds ICVC - American Fund (+22%) was amongst the portfolio's top contributors and L&G Cyber Security UCITS ETF (+25%) progressed well, as the number of cyber-attacks globally increased materially in the year and companies look for sophisticated ways to defend their businesses.

On the negative side, BP (-18%) and Rio Tinto (-13%) were the largest detractors in the portfolio over the year, on the back of weaker oil and commodity prices. Elsewhere, ongoing weakness in the Asian consumer sectors and tariff concerns impacted share prices in global beverage companies Diageo (-24%) and Pernod Ricard (-30%).

### Investment commentary\*

Global equities have progressed well over the year, albeit in a volatile manner. With inflation broadly falling back closer to target levels, rate cuts eventually materialised in the second half of 2024. This was supportive for equities, although market returns were predominately driven by large-cap technology stocks, and we saw market concentration in the US reaching historic highs.

Markets continued to perform well in the weeks following Donald Trump's election victory, with signs the US market was beginning to broaden out on hopes that tax cuts and deregulation across industries would be a feature of the President's second term. American isolationism, however, has so far been at the forefront of President Trump's agenda. Whilst markets began 2025 on a strong note, this soon reversed as tariff and trade rhetoric took centre stage. This culminated with Trump's sweeping "Liberation Day" tariff announcements in April 2025, which were far more aggressive than anticipated. Having already drifted lower since February 2025, markets fell sharply in the days that followed, with US markets nearing bear territory. As the pressure mounted, we saw a swift policy shift from the US administration, announcing a temporary easing of the new trade measures by way of a 90-day pause on most reciprocal tariffs – this certainly helped soothe investor concerns. The roll back paved the way for a strong market rebound through to the end of the period, supported by solid company earnings.

Whilst the US and global equity market has recovered strongly, the US dollar has remained under pressure. Weakness is in part linked to the ever-growing debt pile of the US, and uncertainty over the strength of its economy under the new US administration. For Sterling denominated investors, the 10% fall in the value of the US dollar versus Sterling so far in 2025 has been a significant headwind when converting back US dollar denominated assets.

Escalation in geopolitical tensions and conflict was also a feature over the year, particularly events in the Middle East. While undoubtedly unsettling, market reaction was fairly muted, the primary impact being heightened volatility in oil prices. Though hostilities have since de-escalated, tensions remain elevated and could reignite at any point.

Closer to home, we have seen a strong rally in European and UK equities, primarily due to global investors reappraising the value on offer outside of the dominant US market. Sectors wise we have seen a strong performance from financials, with banks benefitting from a prolonged period of higher interest rates. Similarly, defence companies have been buoyed by the EU's commitment to supercharge defence spending.

\* Source: Adam & Company Investment Management Limited and FE fundinfo.

\*\* Source: FactSet.

## Investment Manager's report - Adam & Company Investment Management Limited (continued)

### Investment activities

Within the period under review, early activity focused on position trimming and the complete sale of Compass Group on valuation grounds, the proceeds of which funded the cancellation of shares in the Fund. We also increased our Emerging Markets exposure, with a new security purchase: Pacific Capital UCITS Funds - Pacific North of South EM All Cap Equity.

More recently with Sterling reaching a three-year high vs the US dollar, and with a pull back in the US equity market, we saw an attractive buying opportunity to increase our international equity exposure, whilst reducing our UK holdings.

We took some profits from Standard Chartered and Aberforth Smaller Companies Trust, following their recent strong runs. We also exited our positions in Bodycote, Greggs, LondonMetric Property, Sage Group and Unilever, where we feel there are better like-for-like opportunities in international companies.

With the proceeds we added direct positions in Alphabet 'C', Amazon.com, Akamai Technologies, ASML Holding and Taiwan Semiconductor Manufacturing – increasing our exposure within the portfolio to major themes such as AI, cloud computing and cyber security. We also added Nestlé, which we think offers a more attractive investment case than Unilever currently poses.

### Investment strategy and outlook

Looking ahead, we remain cautiously optimistic. The full economic impact of US trade policy changes is still unfolding, and harder data in the coming months may point to further challenges. That said, global economic growth remains positive, and our base case is for low but positive global Gross Domestic Product growth this year. We expect disinflationary trends to reassert themselves and anticipate additional interest rate cuts in the second half of 2025, which should provide further support for both equity and bond markets. Tariffs remain a risk to US inflation, in addition to adding friction to global trade. Meanwhile, potential tax cuts in the US could boost growth but would be negative for the fiscal deficit which is already deteriorating and is something to keep a watchful eye on. We expect geopolitical tension and political uncertainty to remain elevated which could lead to bouts of volatility in markets, but ultimately expect company fundamentals to remain robust, with markets further supported by easing monetary policy.

As ever, we remain focused on identifying high-quality companies around the world that are trading at attractive valuations. We look for well-managed businesses with strong market positions and robust balance sheets – companies we believe are well positioned to deliver sustainable, long-term profit growth.

Adam & Company Investment Management Limited  
9 July 2025

## Investment Manager's report - Goldman Sachs International

For the portfolio managed by Goldman Sachs International, who managed 42.29% of the Fund's assets at the balance sheet date in accordance with the investment objective and policy of the Fund.

### Investment performance\*

The portfolio managed by Goldman Sachs International net performance: +0.46%.

The Aurinko Fund Global Equity Partners ('GEP') net performance: -1.82%.

The Aurinko Fund Non-GEP net performance: +2.63%.

Comparative benchmark\*\* (IA Mixed Investment 40-85% Shares sector): +5.55% total return.

During the latter half of 2024 the portfolio was roughly flat. This was largely due to subdued equity returns from the actively managed GEP, up 0.02% for the period 1 July 2024 to 31 December 2024. At year-end, we were pleased to announce that Maarten Geerdink, Managing Director and Head of European Equities at Goldman Sachs Asset Management ('GSAM'), was appointed the Co-Project Manager of GEP. Following Maarten's appointment GEP has had better performance.

Recognising market opportunity, in January 2025, we extended the British debt portfolio's duration from 4 to 5 years, based on an anticipated series of five rate cuts in 2025 from the Bank of England ('BoE'). Three successive cuts this year have meant the Fixed Income allocation has continued to be a driver of returns. For the year, the Fixed Income allocation is up 4.36% and is up 3.58% since duration was extended.

The investment team actively leveraged market volatility in the first half of 2025, making tactical allocations in line with our outlook to specific sectors and geographies. These included German Midcaps along with EU and US Healthcare. The team's allocation to Indian and Mexican Equities are up 2.55% and 20.80% respectively, showing the advantage of buying these assets when trading at a discount. The effective use of hedging, in line with The Investment Strategy Group's outlook, helped shield the portfolio from US dollar weakness. Engaging actively with the portfolio management, both in duration management and tactical tilts, increased returns in the latter half of the reporting year.

The Aurinko Fund has a 50% allocation in Public Equity. The core implementation for the equity allocation (96%) is to a single stock actively managed strategy, GEP. The GEP portfolio's performance over the year 1 July 2024 to 30 June 2025 was -1.82%. GEP is a long-only, large-cap core strategy which invests in developed markets equities. Please find below a summary of the performance attribution per sector and the top and bottom performers over the reporting year.

### The largest contributors and detractors\*\*\*

Morgan Stanley – American multinational investment bank and financial services company was the biggest contributor to returns during the period. The main driver of positive stock performance was Trump's win in the US Presidential elections. Following Trump's election there are expectations of higher-for-longer US interest rates, lower regulations and pickup in capital markets activity, factors that would potentially benefit the company. We expect the company to continue inflows in mid-high, single-digit driven by market share gains, leveraging workplace and retail channels through acquisition of Solium and E\*Trade. A capital-light model and improvement in returns over the past also adds to our optimism on the stock.

The largest detractor during the second half of 2024 was AstraZeneca – A multinational biopharmaceutical company. The stock underperformed as it continued to be impacted by fallout from several individual investigations by the Chinese authorities into current and former employees. We continue to monitor the lack of clarity and visibility on this issue, which is holding back the investors, despite its attractive valuation. We remain invested as the company has a sustainable top-line growth and a strong product pipeline, not dependent on any single drug. We expect the company's operating margins to improve substantially driven by its high-margin oncology franchise and new product sales. We also believe the company's exposure to emerging markets to play a pivotal role in growth, moving forward.

\* Source: Goldman Sachs International and FE fundinfo.

\*\* Source: FactSet.

\*\*\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### The largest contributors and detractors (continued)\*

Spotify Technology – the Swedish music streaming company was a top contributor in the first half of 2025. Spotify Technology outperformed during the six months, largely driven by strong pricing power and a notable increase in Premium iOS users. The stock initially saw weakness following an in-line quarter beating expectations by a lower degree than previous quarters. However, the stock later rebounded driven by selective price increases in countries like Belgium and the Netherlands, highlighting strong pricing power, and a significant increase in iOS Premium users following favourable developments in Apple's App Store case. We remain optimistic about the name as it stands to benefit from a fast-growing, under-monetised music streaming industry. Its strong market position, network effects, and robust product offerings support our view on continued growth.

One detractor in 2025 has been UnitedHealth Group – the American health insurance and health care services company. The stock underperformed following a miss on both revenue and earnings in quarter 1 2025, driven by margin pressure at Optum, its key subsidiary, after onboarding unprofitable clients. Sentiment worsened as the chief executive officer ('CEO') stepped down in May and the company withdrew full-year guidance due to rising cost pressures. Despite these near-term challenges, we believe the market reaction has been excessive. The company's former CEO and current Chairman has stepped in to reassess core practices and restore margin stability. We maintain our long-term conviction, supported by UnitedHealth Group's scale, diversified portfolio, and plans to enhance engagement with newly onboarded members.

Top and Bottom Contributors to performance, managed by Goldman Sachs International.

Company name	Relative contribution (basis points) ('bps') <sup>^</sup>	Ending weight (%)
Top 5		
Morgan Stanley	+96	3.1
Banco Bilbao Vizcaya Argentaria	+66	2.0
Spotify Technology	+49	2.5
Boston Scientific	+47	2.1
GE Vernova	+45	1.6
Bottom 5		
UnitedHealth Group	-136	1.3
Estée Lauder	-111	0.0
Danaher	-109	2.0
Cooper	-106	1.5
AstraZeneca	-93	1.5

### GEP portfolio positioning

Below is a summary of the GEP portfolio's positioning as of 30 June 2025. The three sectors with the biggest exposure in the GEP portfolio were Information Technology, Financials and Health Care. In terms of geographic exposure, approximately 75% of the total GEP portfolio was in North American equities with the second largest exposure in European equities at approximately 19%.

Top 10 positions	Portfolio weight (%)
Microsoft	7.2
Apple	5.8
NVIDIA	5.1
Amazon.com	4.9
Meta Platforms 'A'	3.5
Procter & Gamble	3.3
Morgan Stanley	3.1
S&P Global	3.1
JPMorgan Chase	3.0
Ferguson Enterprises GBP	3.0

\* Source: Goldman Sachs Global Equity Partners.



## Investment Manager's report - Goldman Sachs International (continued)

The largest contributors and detractors (continued)\*

GEP portfolio positioning (continued)

Sector breakdown	Portfolio weight (%)	Benchmark weight (%)	Difference (%)
Information Technology	29.1	26.2	2.9
Financials	15.0	17.1	-2.1
Health Care	11.8	9.5	2.3
Industrials	10.9	11.4	-0.5
Consumer Discretionary	7.7	10.1	-2.4
Communication Services	6.0	8.5	-2.5
Materials	5.9	3.2	2.7
Consumer Staples	5.3	6.0	-0.7
Energy	3.7	3.5	0.2
Utilities	2.9	2.6	0.3
Real Estate	1.7	2.0	-0.3

Region breakdown	Portfolio weight (%)	Benchmark weight (%)	Difference (%)
North America	74.6	74.9	-0.3
Europe	18.5	16.6	1.9
Japan	3.8	5.4	-1.6
Asia/Pacific Ex Japan	2.0	2.7	-0.7
Africa/Mideast	0.0	0.2	-0.2

Geographical Revenue Breakdown	Portfolio weight (%)	Benchmark weight (%)	Difference (%)
North America	54.6	53.1	1.5
Europe	16.9	16.9	0.0
Asia	16.0	15.8	0.2
Others	7.0	8.6	-1.6
Japan	3.1	4.5	-1.4
Africa	1.3	1.1	0.2

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities\*

Review of investment activities during the during second half of 2024 and first half of 2025.

<i>Global Equity Partners Trade Highlights</i>	
<i>New Positions</i>	<i>Eliminated Positions</i>
ASML Holding	Neste
Cooper	DavideCampari-Milano
Eli Lilly	Nike
National Grid	Nestlé
UnitedHealth Group	Estée Lauder
Home Depot	Alphabet 'A'
GE Vernova	Walt Disney
LVMH Moët Hennessy Louis Vuitton	Hexagon
Apple	LVMH Moët Hennessy Louis Vuitton
Spotify Technology	Intuit
Blackstone Group	Northern Trust
Air Products & Chemicals	
Eaton	
General Electric	
JPMorgan Chase	
Meta Platforms 'A'	
Coca-Cola Europacific Partners	

Key new and eliminated positions and rationale

#### ASML Holding

We initiated a position in ASML Holding, the Dutch based producer of extreme ultraviolet lithography ('EUV') machines used in the production of computer chips and semiconductors for Artificial Intelligence ('AI') applications. ASML Holding is the largest semi-cap company in the world, with market share of 21%. Please see below the pillars of our investment thesis:

- Lithography Monopoly: ASML Holding has a monopoly in leading-edge Lithography with 100% share in EUV; EUV enables node migration in Logic & Dynamic random-access memory and is the driving force of ASML Holding's topline growth.
- N2 Fab buildout driving EUV demand: We expect strong growth from EUV tools in CY25 as customers like Taiwan Semiconductor Manufacturing build capacity for N2, which is the next generation node in semiconductor manufacturing; Taiwan Semiconductor Manufacturing is seeing higher customer engagement for N2, particularly from AI customers as they seek higher power efficiency in chips.
- Next generation of EUV ('NA') drives next leg of growth: Prototype shipments have begun in CY24, with shipments expected to grow as high-NA gets incorporated in future nodes; Will be a major driver of incremental growth as prices are ~1.5x compared to EUV (€300 million+ vs €200 million+).

#### Cooper

We initiated a position in Cooper, US based medical device company. The company has two-thirds of business in manufacturing and distributing contact lenses with a focus on specialty lenses and the remaining one-third in women's health and fertility products. The key pillars of our investment thesis are as follows:

- Strong Contact lens Growth Market: Contact lens market is a strong growth market and is relatively recession proof. This is a \$10 billion market, growing in high single digits driven by attractive innovation in a consolidated industry. Cooper is an innovator and market share gainer in the industry.
- Growth Investments: Cooper has made investments in capacity, distribution, enterprise resource planning systems and research and development ('R&D') in addition to a dilutive merger in fertility. Recent results have shown margins uplift, unit economics and better cash flows.
- Incremental growth from Myopia Management: Cooper sees increasingly better uptake in myopia lenses through joint venture with Essilor Luxottica in spectacles. While glasses play major role, contact lenses will be used by teenagers and during sports.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Eli Lilly

We initiated a new position in Eli Lilly, a US-based multinational pharmaceutical company. While the company has an attractive portfolio of drugs that help address several health issues like neuroscience, endocrine functions, and animal health products, it has seen tremendous growth from its new GLP-1 drugs, which people have been using for diabetes and weight loss. Here are the key pillars of our investment thesis:

- A Leader in Obesity and Diabetes Market: The company is a market leader in obesity and type 2 diabetes drugs. The new family of drugs has reignited interest in the weight-loss treatment market, which is estimated to reach \$100 billion by the end of the decade.
- Beyond Obesity: Eli Lilly has a long history of developing drugs to treat a variety of conditions. Meanwhile, it currently has a plethora of drugs in clinical trials for treating such conditions as Alzheimer's disease, multiple sclerosis, and Parkinson's disease. We can expect four near-term major drug launches outside of GLP-1.
- Earnings and Valuation: While the company trades at higher valuations compared to peers (~40x), its 2025- 2030 earnings per share ('EPS') compound annual growth rate ('GAGR') is 19% vs. 3% for the peer-group average and is an industry leader in research and development. We have taken advantage of the recent price weakness following the revenue miss to give the portfolio exposure to the fast-growing industry treatment for obesity and other illnesses.

##### National Grid

We have initiated a position in National Grid, the UK based investor-owned utility company which is focused on the transmission and distribution of electricity and gas. Here are the key pillars of our investment thesis:

- Energy Transition: The investment case of National Grid is driven by its key role in enabling the energy transition. We believe the company is poised to benefit from the increased demand driven by increasing adoption of rooftop solar and should be able to make an attractive return on investments/equity as it operates under a stable and attractive regulatory environment both in the UK and in the US.
- Healthy Financials: On the financial front, the company is now funded for two years beyond the five-year plan which implies very secure 10% regulated asset base growth and 6-8% EPS growth. There are few utilities with comparable visibility on earnings growth.

##### UnitedHealth Group

We initiated a position in UnitedHealth Group, a US-based player with significant scale in health insurance (commercial, medicare and medicaid) as well as several businesses that combined fall under its Optum brand. Here the company also offers care delivery (physicians and long-term care facilities), pharmacy benefit management as well as a healthcare Information Technology business. We are taking advantage of the share price weakness as we believe UnitedHealth Group is well positioned to improve its profitability in 2025. Additionally, a Republican win is likely to make that path easier as pressure on premiums is likely to be less severe under the new administration. Structurally, we think UnitedHealth Group is the best positioned managed care company, and its vertically integrated business model can improve care at lower costs in a transition to a value-based-care model. We like the company because:

- Patient Centric: A market leader patient-centric, vertically integrated managed care organization that is dedicated to helping people live healthier lives and making the health system work better for everyone.
- Market Leader: A large-scale player (\$550 billion in market cap), able to push down prices of healthcare products and services and to prevent unnecessary treatments or medication, thereby improving efficiency of the US healthcare system.
- EPS Growth and Valuation: UnitedHealth Group's long-term growth is attractive at 13-16% EPS growth via organic and inorganic measures. The valuation of the stock is back to pre-Covid-19 levels at a higher EPS growth than the median in the market.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Home Depot

We initiated a position in Home Depot, an American multinational home improvement retail corporation. Founded in 1978, Home Depot is the world's largest home improvement retailer offering products across categories including lawn and garden, appliances, electrical, lighting and building materials. Post the Covid-19 normalisation, we believe the home improvement spends have bottomed out and are likely to inflect. Additionally, rate cuts stand to benefit the space in multiple ways including recovery in Existing Home Sales, reduction in Home Equity Line of Credit borrowing costs and increasing discretionary spending. Within this backdrop, Home Depot has been successfully gaining market share long-term at the cost of smaller traditional retailers, which is likely to continue. Our key investment pillars are:

- Moats and Total Addressable Market Expansion ('TAM'): Driven by its scale of operations and supply chain/distribution infrastructure, Home Depot has best-in-class business productivity which should be hard to replicate. Additionally, the company has been investing in the Complex Pro (small homebuilders, large-scale renovators) opportunity which should further increase growth prospects and TAM given strong right-to-win.
- Strong Management Team: Home Depot's leadership is touted as one of the best in the industry with strong execution and capital allocation.

##### GE Vernova

We are starting a position in GE Vernova, a US-based energy equipment manufacturing and services company. After an extended cyclical downturn with several operational issues along the way, GE Vernova is at the beginning of their next significant gas turbine cycle with the potential for a return to growth in their nuclear business with wind less of a concern. GE Vernova fits 3 of our investment frameworks: Supply / Demand Tension, Cost Structure Change and Consolidation.

- Gas Power Cycle Increasingly Likely to Mirror Prior Peak Cycles: The core of GE Vernova's profitability comes from the Gas Power business where GE Vernova sells industrial gas turbines to utility and industrial users with decades of higher profit service revenue following the initial sale. Gas power has been emerging as the likely preferred power source for AI and reshoring which GE Vernova will be a primary beneficiary. Gas services have begun to experience a significant inflection which we believe is a \$12 billion sales opportunity at above company average margins, likely contributing \$3.6 billion of incremental earnings before interest, taxes, depreciation and amortisation ('EBITDA').
- Growing Potential for a Significant Order Inflection in Nuclear: GE Vernova has a leading position in small modular reactors, as well as content on 65 of the current 90 nuclear power sites in the U.S. We see the potential for order growth over the next 2 years from both of these businesses to support earnings power in the out-years vs. 2023 contribution of only \$1 billion of sales annually or 2.5% of sales focused on services. Each existing nuclear site in the U.S. has the potential to add 500MW - 1GW of additional capacity through enhancements which works out to \$15 - \$30 billion of sales potential given the shared economics with Hitachi.
- Wind at a Pivotal Moment, but Less Meaningful to Results: GE Vernova is currently winding down their off-shore wind operations and domestic on-shore wind is at a crossroads as policy and usefulness given current power needs. We see the return of growth in on-shore as a positive contributor to growth as they earn low-double digit EBITDA margins, but a shift towards more gas or nuclear would be even more valuable.

##### Apple

We are starting a 1% overweight position into Apple, the American multinational corporation and technology company. Apple is an attractive investment due to its strong financial performance, brand loyalty and continued innovation across hardware, software and services. With a well-established ecosystem that drives recurring revenue, Apple benefits from high-customer retention and increasing services revenue. Some of the drivers of our investment thesis are:

- Their scale gives them a first to market advantage in AI and we expect significant AI feature launches to drive an accelerated replacement rate of iPhones coupled with the continued ability to monetize new services which will continue to drive gross and EBITDA margins.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Apple (continued)

- Apple is well-positioned to continue to grow its services revenues as growth remains resilient in the core (App store, Advertising, Apple Care) while overall services growth should be supported by increasing scale of new Services (iCloud+, Apple Pay, Apple One). Services growth drives not just topline but also expansion in Gross margin & EBITDA margins.
- Apple's decades long partnership with TSMC on Apple silicon has ensured that Apple devices have industry leading compute capabilities. As technologies like advanced packaging become necessary for on-device AI, Apple's partnership with Taiwan Semiconductor Manufacturing will enable them to be first to market with an AI ready smartphone, with full-scale, on-device AI capabilities.

##### Spotify Technology

We are starting a position in Spotify Technology, the leading digital service provider in the fast-growing and under-monetised music streaming industry. Spotify Technology has emerged as the clear-leading distributor in the high-growth music streaming industry and is in the early innings of its revenue growth and margin expansion journey. We expect Spotify Technology to sustain high-teens revenue growth driven by ongoing premium member growth and significant pricing uplift through many different initiatives all aimed at narrowing the monetisation gap of music vs history. We expect the company to deliver 900 basis points ('bps') of margin expansion over the next 3 years coupled with strong free cash flow conversion given the asset light nature of the business and favourable working capital dynamics of the subscription model. The key pillars to our investment thesis are:

- Highest and fastest growing market share in the secular growth music streaming industry.
- Significant pricing opportunities to be a key growth driver over the next few years.
- Margin expansion and free cash flow inflection as the company scales and benefits from accretive strategic initiatives.

##### Blackstone Group

We are starting a position in Blackstone Group, the world's largest alternative asset manager, with over \$1 trillion in assets under management. The recent correction in the stock due to concerns around asset values, net flows and deal exits has created an attractive entry point into a long-term structural winner. While we acknowledge near-term cyclical headwinds, we believe much of this is already priced in, and Blackstone Group remains uniquely positioned to benefit from continued growth in the space.

- Blackstone Group is a leader in Alternatives with scale and diversification. Its platform spans Real Estate, Private Equity, Credit & Insurance and Multi-Asset strategies. The firm's scale, brand and strong track record, makes it a "go-to" partner for institutional allocators, wealth platforms and insurance companies.
- There exists long-term opportunity in Alternatives. Strong structural tailwinds favour for alternative assets, with both institutional and retail investors increasing their demand. We anticipate continued share gains for Blackstone, as the industry consolidates around a few large players.
- Blackstone Group possesses an attractive business model, as its fee-related earnings are capital-light, low-risk and structurally recurring. The stock's recent decline from peaks offers a compelling entry point as we see an attractive risk-reward at current levels.

##### Air Products & Chemicals

We are starting a position in Air Products and Chemicals ('APD'), an industrial gases company focused on providing atmospheric, process and specialty gases, equipment, and related services to manufacturing, process, and energy markets. Following a period of heavy capital investment, APD is focusing on improving free cash flow and leveraging its advantaged assets to generate higher returns.

- Operational excellence and margin expansion driven by new leadership: New leadership appointments Dennis Reiley and Eduardo Menezes bring a renewed emphasis on cost discipline and execution. We believe APD will benefit from the new management, with a proven track record of operational excellence. APD's current business mix, heavily weighted toward on-site production, supports higher-margin potential. We expect margins to progressively improve, given APD's asset mix.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Air Products & Chemicals (continued)

- Disciplined capital allocation and improved free cash flow: Management is refocusing on returns on invested capital ('ROIC'). The company is guiding toward a positive free cash flow in FY 2026 – the first in over two decades – signalling a shift in strategy from growth-at-all-costs to more measured value-driven investments.
- Reduced risk of asset sales and focus on core operations: With the risk of profitable asset sales largely behind, the management is now focused on execution and improving performance across its existing portfolio. This should support steady value creation, especially as demand for industrial gases remain structurally strong.

##### Eaton

We are starting a position in Eaton, a leading global power management company, which provides energy-efficient solutions for electrical, hydraulic, and mechanical power. The stock offers a compelling long-term growth profile, along with robust fundamentals, strong execution, and accelerating end-market demand which continue to support upside.

- Leader in electrical infrastructure with exposure to secular megatrends: Eaton is well-positioned across key markets including electrical components, e-mobility, and aerospace. Its exposure to U.S. infrastructure, grid modernisation, reshoring, and mega projects positions it as a prime beneficiary of the ongoing electrification trend. We expect continued high revenue growth led by these durable themes.
- Margin expansion and strong cash generation: Eaton's focus on operational excellence and pricing discipline has driven consistent margin improvement. With strong operating leverage and product mix tailwinds, we expect further margin expansion and robust free cash flow generation over the medium-term.
- Disciplined capital allocation with further upside: Eaton has a good track record of disciplined capital allocation, with a meaningful portion of cash flows returned to shareholders. With a strong balance sheet and the potential to divest smaller segments, it has flexibility to pursue mergers and acquisitions and further strengthen its focus on electricals.

##### General Electric

We are starting a position in General Electric ('GE'), an American manufacturer of aerospace products and services, benefitting from both structural and cyclical tailwinds in the aerospace sector. The stock offers a compelling combination of dominant market share, margin expansion opportunity and balance sheet flexibility.

- Dominant position in a structurally growing market: GE powers ~75% of today's commercial flights and maintains strong positioning on the newest generation of aircraft. This market leadership provides scale advantages and allows company to continue investing in future technologies – both for next wave of commercial aircraft and next gen defence platforms. As global air travel continues to recover and grow, GE stands to benefit from increasing demand for both new engines and maintenance services.
- Room for margin expansion: The Leading-Edge Aviation Propulsion LEAP engine, a product of CFM International (a 50/50 joint venture between GE and Safran Aircraft Engines) is maturing and is being widely adopted in commercial aviation. This is bringing more shop visits, supporting higher-margin service revenues. There's also room to improve margins in defence through better execution and longer-term sustainment contracts.
- Capital allocation and strong balance sheet: GE enters this next phase with a strong balance sheet and robust cash generation. Management has signalled that capital will be primarily invested into the business, including high return organic investments and targeted bolt-on acquisitions to strengthen its technology edge.

##### JPMorgan Chase

We are starting a position in JPMorgan Chase ('JPM'), one of the best-run and most diversified banks globally. With a strong balance sheet, steady capital generation and a proven track record, we see JPM as a core financial holding.

- Diversified revenue base: JPM's revenues are well balanced, with over half coming from non-interest income streams such as credit cards, wealth management and capital markets. This model reduces reliance on interest rates and supports more stable earnings through cycles. The bank continues to take market share across businesses, with a strong brand and global reach reinforcing its competitive edge.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### JPMorgan Chase (continued)

- Positive operating leverage and cost discipline: We expect JPM to deliver positive operating leverage, driven by steady fee and loan growth. Expenses are expected to stay in check, with stable headcount and ongoing investments in technology and efficiency. This creates room for margin improvement even in a tougher macro environment.
- Capital strength: JPM has significant excess capital and continues to generate more. With a favourable regulatory backdrop in the US, the bank has room to return capital to shareholders and pursue M&A, without compromising its financial strength.

##### Meta Platforms 'A'

We are starting a position in Meta Platforms 'A', an American multinational Internet provider of social networking, advertising, and business insight solutions. We see strong sustainable growth potential, driven by core advertising strength, leadership in AI, and strong financial profile.

- Strong and growing share in a structurally expanding market: Meta Platforms 'A' is a key beneficiary of the long-term shift towards digital advertising, a market that continues to grow and take share from traditional media. It has grown at a 9% CAGR over the past 5 years and we expect this to continue. Meta Platform 'A's scale, high user engagement, and industry leading ad-tools have helped it consistently gain share within this large and growing space. The company's flywheel – powered by rich first party data, highly relevant ads, and strong advertiser returns – remains a durable competitive advantage.
- AI leadership expands growth potential beyond core advertising: Meta Platforms 'A' is uniquely positioned to capitalise on AI thanks to its deep data advantage, global user base, and capacity to invest. The company can deploy new AI capabilities rapidly across its platforms (3 billion daily users), as demonstrated by the swift success of Threads. With its significant R&D spend, Meta has the resources to remain at the forefront of AI innovation, opening new monetisation opportunities and TAM expansion beyond advertising.
- Strong financial profile funds future growth and innovation: Meta Platforms 'A' has one of the strongest margin and cash flow profiles in large-cap tech. Its scale enables operating margins over 40%, even while investing heavily in long-term projects like the metaverse. High cash flow conversion supports continued reinvestment in AI and platform innovation, reinforcing its competitive moat. This financial strength also allows flexibility for capital return or further strategic investments.

##### Coca-Cola Europacific Partners

We are starting a position in Coca-Cola Europacific Partners ('CCEP'), the largest Coca-Cola bottler by revenue, with operations spanning 31 markets across Europe and the Asia-Pacific region. CCEP's business is well-diversified, with the majority of its revenues coming from Europe and the rest from Australia, New Zealand, the Philippines and Indonesia. It holds leading positions in attractive beverage categories and continues to strengthen its portfolio through innovation and disciplined execution.

- High-quality growth compounder with structural growth drivers: Over the past decade, CCEP has established itself as a consistent growth compounder. Recent acquisitions in Asia-Pacific have extended its geographic footprint and deepened its exposure to markets with long runways for volume growth, especially in Indonesia, where per capita consumption remains low. These moves support a long-term growth profile and offer further opportunities.
- Ongoing portfolio mix shift supports margin expansion: CCEP is actively improving its product mix by focusing on higher-margin offerings, packaging innovation, and expansion into adjacent categories. This should drive continued top-line growth and margin improvements.
- Improved Bottler-Coca-Cola Relationship: The relationship between Coca-Cola and its bottlers has improved significantly, with a shift to incidence-based pricing. This aligns the interests of Coca-Cola and the bottlers, encouraging value growth rather than simply pushing volume at discounts, benefiting the entire system.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Coca-Cola Europacific Partners (continued)

- Multi-Year Margin Expansion Opportunity: CCEP's gross margin has decreased compared to pre-Covid-19 levels (around 39%) due to pricing lagging inflation and the dilutive impact of recent acquisitions. However, several factors are expected to drive margin expansion in the coming years, including scale-related advantages, supply chain optimization, manufacturing footprint rationalization, sustainability initiatives (energy efficiency and packaging innovations), and digital investments (automation, route optimisation, and inventory management).
- Strong Capital Allocation: CCEP's management is considered best-in-class, with a proven track record of turning around operations in Europe, ANZ, and Indonesia. In the absence of M&A opportunities, management is focused on share buybacks and returning excess capital to shareholders.

##### Neste

We sold out of Neste, a Finnish producer of Renewable Diesel and Sustainable Aviation Fuel. The stock has been a long-term holding in GEP and one of the key underperformers over the last ~12 months. The primary reason for weakness in the share price has been a drastic change in the supply/demand dynamics in renewable fuel markets. Over the last 12 months, a strong wave of capacity additions coupled with negative, regulatory driven downside surprises on the demand side have tipped the market into oversupply putting pressure on results. In addition to the negative market dynamics, there have been some company specific issues, such as operational missteps in ramping-up new renewable refining capacity, further weighing on shares. While we are somewhat comfortable on company-specific issues, our medium-term outlook for the industry is a bit challenged. Hence, we are exiting the stock on reduced conviction.

##### Davide Campari-Milano

We sold out of our position in Davide Campari-Milano, the Italian beverage company, after a change in the investment thesis for the company. Davide Campari-Milano has been a long-term holding in GEP, having demonstrated strong outperformance many years over. However, the last 18 months have been particularly challenging given the tough environment in the spirits and beverage industry, following a period of outsized growth during Covid-19. Moreover, on the back of recent events, we had a change in conviction given the announcement around chief executive officer ('CEO') transition and large acquisition of Courvoisier. While we do believe the market weakness and destocking are more cyclical in nature, we have lost conviction in Davide Campari-Milano given the leadership vacuum and tough integration during a difficult market backdrop. As such, we have decided to sell out of the name

##### Nike

We are exiting our position in Nike, the US-based supplier of athletic shoes and apparel, due to changed conviction. The competitive dynamics in the space have changed post the entry of new players like ON and Hoka. These players have been able to gain customer traction at the cost of Nike which has seen deterioration in customer base and poor channel checks. Additionally, the company's turnaround revolves around product innovation but given lower ambiguity, we feel the turnaround will take longer and will potentially be more expensive than initially expected. Hence, we are eliminating the stock and allocating capital elsewhere.

##### Nestlé

We sold out of Nestlé, the Swiss multinational food and drink processing conglomerate on the back of changed conviction. Nestlé's capital market day was reassuring and did indicate towards the end of downward revisions. The event focused on medium-term growth and return to high double digits operating margin. However, it seems unlikely for the company to gain further margin expansion and reaching the previous guidance range. Combined with high leverage and thus, halt of the share buy-back programme means EPS growth will be muted over the next 3 years. While shares remained attractively valued, turnaround stories in the Consumer Staples sector takes a long time and with stock offering limited upside potential, we had a change in conviction. As such, we decided to eliminate the stock and allocate capital elsewhere.

\* Source: Goldman Sachs Global Equity Partners.



## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Estée Lauder

We are exiting our position in Estée Lauder. When we started a position in Estée Lauder in December 2023, the stock had underperformed the broader market by over 60% over the prior 2 years driven by what we thought was a cyclical slowdown in the Asia travel retail business. Given our strong long-term outlook for the prestige beauty and skincare market and Estée Lauder's leading positioning within it with a strong portfolio of brands, we started a position as we expected Asia travel retail and channel destocking to bottom out, which would drive a recovery in topline and in margins which had collapsed on the slowdown. Following a series of disappointing quarters, it is clear that the issues in Asia travel retail are more severe than we initially expected. Additionally, structural channel shift in the US is causing the need for material strategic pivots. With a new CEO now in place, we had hoped that greater action would be taken to address the channel issues and clear inventory more aggressively but have been disappointed by more of status quo approach. Thus, we lack confidence that Estée Lauder will make the necessary changes to get the brand in healthier place across the globe and see more disappointments ahead.

##### Alphabet 'A'

We are selling our position in Alphabet 'A' following very strong performance. We have held the stock in GEP over long-term driven by its dominance in Search which has enabled Alphabet 'A' to be a key winner in the fast-growing digital advertising market. Over the past 5 years the stock is up over 140%. More recently, we believe advancements in large language models has driven the first real competitive threat to the search model that we have seen since its inception. Large language model capabilities are causing new ways of searching and digesting information that have implications for both search's market share of queries as well as its ability to monetise queries at the same rate that it has historically. While Alphabet 'A' has the scale, cash flow, and technological prowess to be competitive in large language models and AI at large, we worry that ultimately the strong economics of the Search have peaked as competition emerges for the first time. Alphabet 'A' will have to invest heavily to compete while the return on invested capital may be lower than the high levels they have enjoyed over the past 2 decades

##### Walt Disney

We are selling our position in Walt Disney. Following underperformance from the peak in 2021 through the bottom in 2024, the stock has recovered 30% off the August 2024 lows as execution has improved. While we expect the business to continue to improve following significant margin contraction over the past few years, we believe it will be difficult to drive growth and profitably at rates the market is expecting over the next few years, and we see more upside and better, cleaner opportunities elsewhere.

##### Hexagon

We are exiting out of our position in Hexagon, a Swedish multinational industrial technology company. Hexagon has done well in recent months, delivering better-than-expected quarter 4 2024 results and took decisive steps to unlock shareholder value. The company announced the spin-off of the software business and also, announced a new Chairman (an ex-ABB CEO) who has a strong history of value creation. With these actions being priced in, focus now shifts to macro which continues to remain weak. Considering end-market backdrop, 22x valuation appears stretched. As such, we decided to exit the name and allocate the proceeds into other opportunities where markets have allowed us an attractive entry point.

##### LVMH Moët Hennessy Louis Vuitton

We are exiting our position in LVMH Moët Hennessy Louis Vuitton ('LVMH'), the world's largest luxury goods group, owning 75 luxury brands. We believe that the environment for luxury goods has become more challenging than we expected, and our original investment thesis is no longer playing out. When we initiated the position at the end of 2024, we believed the luxury sector was at a turning point – with signs of recovery in global demand, especially from the US and China. We expected LVMH, as the global leader in luxury, to benefit meaningfully from this rebound thanks to its strong brands and pricing power. However, over the past few months, the backdrop has changed. Consumer confidence has weakened, global trade tensions have picked up, and demand has slowed – especially for some of LVMH's largest brands. These headwinds are likely to persist and could weigh on earnings for longer than we originally expected. While we continue to view LVMH as a high-quality business with strong long-term potential, we believe there are better opportunities elsewhere in the current market and have decided to reallocate capital accordingly.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment activities (continued)\*

#### Key new and eliminated positions and rationale (continued)

##### Intuit

We are exiting out of our position in Intuit, an American multinational business software company that specialises in financial software, following a strong run of outperformance. The company has successfully scaled in its core markets – consumer tax filing and small business – and we believe much of our original investment thesis has played out. Looking ahead, the next phase of growth will require Intuit to expand into higher-end tax segments and larger enterprises, which could come with slower growth and margins. Given this shift, we have had a change in conviction. As such, we decided to eliminate the holding and allocate capital elsewhere.

##### Northern Trust

We are exiting our position in Northern Trust, one of the largest banking institutions in the US. While Northern Trust's shares have recovered since April 2025, we believe the current valuation discounts a potentially optimistic outlook for fee income, which tends to be highly sensitive to asset values. Northern Trust maintains a strong industry position and a high-quality client base; however, we are concerned about the company's ability to achieve its cost-to-fee ratio target in the event of future market downturns. We prefer the risk-reward profile of other market-sensitive names. As a result, we have exited the name and invested the proceeds to initiate a position in other names that we believe offer a better risk-reward opportunity.

### Investment strategy and outlook\*

Despite continued volatility stemming from trade negotiations and a 12-day war between Israel and Iran, equity markets were up in June 2025. Trade talks between the US and its major trading partners continued but no new deals were signed ahead of the approaching end of the 90-day pause on reciprocal tariffs on 9 July 2025. Negotiations with China progressed with both sides confirming that the agreement they had reached in May 2025 was codified in writing. However, talks with Canada, the EU, and Japan were more challenging. A key stumbling block is sectoral tariffs. Trade partners are reluctant to make concessions before investigations into various sectors, such as semiconductors, pharmaceuticals, copper, and timber are concluded and tariffs are set. The war between Israel and Iran caused a pullback in the market and a spike in oil prices, but as the fighting was contained and did not disrupt the global supply of oil and natural gas, equities quickly rebounded, and oil prices returned to pre-conflict levels.

Yields on 10-year US treasuries dropped 17bps in June 2025 as May Consumer Price Index ('CPI') inflation was relatively soft and some Federal Open Market Committee ('FOMC') members talked about the possibility of a July rate cut. While at the start of the month the market was pricing a very low probability of three Federal Reserve ('Fed') rate cuts this year, by the end of June that probability had increased to more than 60%. The US dollar remained under pressure, depreciating 2.5% on the month, driven in part by a widening interest rate differential in favour of the euro and eurozone repatriation flows, a reflection of investors questioning the durability of US pre-eminence.

#### United States

The US economy remains healthy but is beginning to show signs of softening. Economic data released in June surprised to the downside, on balance, with notable weakness in personal incomes and consumer spending. Although the labour market is holding up and the layoff rate has remained low at 1%, jobs are becoming harder to find, an indication that companies are maintaining current staffing levels but are reluctant to increase headcounts amid heightened policy uncertainty. The impact of the administration's immigration policy on the supply of labour is not yet visible in the data, but that is likely to change in coming months. Similarly, the effect of higher tariffs is not yet showing up in the inflation data. Headline CPI inflation rose to 2.4% year-on-year in May, but goods inflation was still subdued with notable price increases in only a small number of categories such as appliances and toys. Inflation is expected to accelerate over the summer months, but the timing and the magnitude of the tariff effect remains uncertain. Against this backdrop, the Fed remained on hold at the June meeting and was non-committal to when the next rate cut may be delivered. Chair Powell reiterated that monetary policy is in a good position and that the FOMC can afford to wait until there is more information on the inflationary impact of higher tariffs. We continue to expect that the Fed will restart the easing cycle at the September meeting and deliver a total of three 25bps rate cuts this year.

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - Goldman Sachs International (continued)

### Investment strategy and outlook\* (continued)

#### Europe

After a strong first quarter, the eurozone economy has lost some momentum. That moderation is mostly due to recent softening in manufacturing activity, but consumer demand has also eased since April. On the plus side, sentiment indicators have improved, albeit from depressed levels. The announcement by the German government to front-load its fiscal package with the first funds being distributed in 2025 will likely add to the improvement in sentiment. The expected faster Gross Domestic Product ('GDP') growth in Germany pushed up our forecast of eurozone GDP growth in 2025 by one-tenth to 1.1%. As for the European Central Bank ('ECB'), we continue to expect the ECB to cut interest rates further but see the risks to our 1.5% terminal rate as skewed towards fewer cuts. The recent uptick in sentiment and moderation of external risks, together with a still-robust labour market and fiscal expansion, may limit the need to cut rates below neutral.

#### UK

As in the eurozone, economic activity in the UK was robust in quarter 1 2025 but is now beginning to show signs of cooling. April GDP contracted more than expected, while the May labour market report showed more easing and May retail sales declined sharply after three consecutive months of strong growth. The recent data fit with our view that the UK economy is set to slow in the remainder of this year amid higher US tariffs and rising National Insurance Contributions. The May inflation data was benign and should keep the BoE on track to cut interest rates at the August policy meeting. After that, we expect two more cuts, one in November and one in December, but see risks to our call as skewed towards fewer cuts.

#### China

China's economy appears to have stabilised, despite higher tariffs, but is still facing deflationary pressures. The May activity data was mixed with stronger-than-expected retail sales and softer industrial production and fixed asset investment. Domestic demand was in part driven by the nationwide consumer goods trade-in program, which the government has expanded in scope. The property sector remains the main drag on the economy as real estate investment and property sales continued to decline. Headline CPI declined 0.1% YoY in May; the fourth consecutive month of negative inflation prints. The producer price index dropped 3.3% year-on-year. It has been in negative territory uninterrupted since October 2022. Clearly, the economy is still facing serious challenges, but we believe the authorities will hold off on extra stimulus until later this year.

Goldman Sachs International

16 July 2025

\* Source: Goldman Sachs Global Equity Partners.

## Investment Manager's report - London & Capital Asset Management Limited

For the portfolio managed by London & Capital Asset Management Limited, who managed 11.57% of the Fund's assets at the balance sheet date in accordance with the investment objective and policy of the Fund.

### Investment performance

Overall, the portfolio's performance was 6.35%\* in the year from 1 July 2024 to 30 June 2025.

Comparative benchmark (IA Mixed Investment 40-85% Shares sector): was +5.55%\*\* for the year.

### Investment activities\*

Between 1 July 2024 and 30 June 2025, the portfolio's allocation to fixed income remained consistent at ~54%. The only changes within the London and Capital Global Income Balanced Fixed Income Fund were: 1) In October 2024, when exposure to government debt was reduced in favour of senior financials. 2) The purchase of a new holding - Corporacion Andina de Fomento 6.75% 17/12/2030.

The equity portion of the portfolio also remained consistent at ~41%. The London & Capital Global Star Equity Fund rode out the market volatility in August 2024, being up due to the rotation away from the Technology sectors towards defensives sectors (e.g. Consumer Staples and Healthcare). In December 2024, the strategy was revamped to incorporate a modest shift in strategy, widening the range of industry investments across the portfolio.

### *Changes To London & Capital Global Star Equity Fund*

The following changes were actioned within the holding of London & Capital Global Star Equity Fund.

#### Sales

TJX- Has been a very strong performer since inception and the franchise is still well placed, but the valuation is very full, especially when compared to the level of sustainable earnings growth.

Starbucks - Recovered strongly since the sell-off, with the introduction of the new Chief Executive Officer ('CEO') significantly boosting the share price due to his track record. However, the share price now reflects this recovery potential, and there is no obvious path to significantly higher earnings in the medium term, given the current challenges.

Pepsi - Good franchise business, however was sold due to the desire to reduce Consumer Staples which still have a tough near-term outlook. The stock trades at a premium to other European Staples and the current growth profile is not significantly different.

Johnson & Johnson - Reduction in healthcare exposure given uncertainty from incoming administration. More fully valued with less potential to positively surprise than other held healthcare names.

Lockheed Martin - An exceptionally strong performer but the current demand for defence could be peaking, resulting in reduced order book growth in the next few years.

Rockwell Automation - The share price has rebounded but the valuation is full against a disappointing track record on operational delivery.

Texas Instruments - Share price assumes a strong recovery, reflected in a high valuation multiple which could disappoint if sales growth does not meet expectations in the next few years.

Amdocs - Replaced by IBM which has more favourable breadth. Has not delivered on management sales targets on a medium-term basis.

WEC Energy Group - Has performed well since introduction. However, now uses equity funding for growth. Wider electricity growth may be slower and lower than the high market expectations.

Nestlé - A good franchise business but likely to have a stagnant few years. Unilever is in a more advance stage of corporate restructuring which is driving better performance.

Smith & Nephew - A solid improvement plan has been impacted by slower Chinese medical markets.

Essilor Luxottica - Achieved very strong returns, resulting in market expectations and valuation now looking excessive.

VINCI - Has performed very well, but uncertainty in the French market, a large component of group profits, is impacting valuation.

\*Source: FactSet, total return, gross of fees.

\*\*Source: Tutman Fund Solutions Limited, FE fundinfo.

## Investment Manager's report - London & Capital Asset Management Limited (continued)

### Investment activities (continued)\*

#### Purchases

T-Mobile - US provider of 5G telecommunication services. Their merger with Sprint has created a superior 5G network with better spectrum, coverage and lower costs. Real opportunity for market share gains, with improving network coverage means potential for less customer churn. Merger improves synergies and expands margins. While valuation multiples are high, they mask the strong free cash flow growth.

UnitedHealth Group - Largest US health insurance underwriter and plan administrator, Optum. Superior services through breadth and depth of Optum physicians. Optum is a subset company of UnitedHealth Group that provides technology services, pharmacy care services (including a pharmacy benefit manager) and various direct healthcare services to the consumer (merger/buy out occurred in 2011). High switching costs means UnitedHealth Group is too embedded to be removed. As the population grows this will also increase growth in insured lives, health care inflation also supports premium growth and the Optum platform should support increase in market share gains. Wider strategy focused on improving the service to drive organic sales growth. Attractive valuations relative to other defensive businesses.

Schlumberger - Largest oil services company in the world offering technology, equipment, project management and consulting services to global Exploration and Production ('EP') companies. The scale alongside the deep and broad technical capability will help drive productivity, coupled with that the company is leaning towards digital focus to reduce the cycle dependence of the sector. From a sector perspective there has been a sustained period of underinvestment - in the energy sector - which has driven supply shortages and an increase in capital expenditure - in EP will benefit Schlumberger. 10-15% compounded annual growth achievable over next 5 years. Attractive valuations given free cash flow growth outlook.

TE Connectivity - Provider of automotive and industrial electrical connectors and sensors. Large manufacturing volumes provide scale advantages (operational leverage). There are also switching costs as sensors/ connectors are designed into a larger product. The key growth driver is vehicle electrification, as Electric Vehicles ('EV') carry 2x the content of electrical components as its combustible engine counterparts. Well diversified business model across auto, medical technology, aerospace, rail, oil and gas, defence to name a few. (e.g. in the Auto and Commercial vehicle sensors - including position, speed, pressure, rotary, current, humidity, oil property sensors etc. TE Connectivity have delivered 30 million+ sensors globally). Reinvestment into connectors is expected to drive organic growth and there is potential for mergers and acquisitions growth.

Qualcomm - semiconductor designer linked to wireless transmission and mobile processing (GPUs/CPU's). For example, Snap Dragon which is a semi processor produced by Qualcomm and is used in phone manufacturers such as Samsung, Xiaomi, Oneplus and Vivo. On top of mobile phone production, the company is well positioned in other sectors such as automotive, audio, cameras, smart phones, IoT, cellular and wi-fi networks. Their technology is market leading with licensing agreements with every major Original Equipment Manufacturer. Business model is well diversified. The company will benefit from smartphone upgrade cycles (every 3-4yrs). There will be 6G, Artificial Intelligence ('AI') eventually rolled out which will increase content demand and therefore demand for processing semiconductors. (1.5x more content per 5G v 4G) Operating leverage will drive earnings growth, management focused on maintaining core business and driving growth via diversification. Trading at a significant discount to other advantaged semiconductor companies.

IBM - enterprise IT consultancy, software, cloud platform and mainframe provider. Vertically integrated with distribution advantage from consultancy services, Red Hat (bought in 2019) is the cloud infra provider of the company. Cloud services growth still predicted to be 20% Compound Annual Growth Rate. Greater software sales support margin expansion, spin off infrastructure services removes legacy revenue drag. A good business but priced as a bad one.

Ferguson - value add distributor of plumbing, heating and other industrial products in North America. End market exposure is 54% residential/ 46% non-residential with 60% exposure to RMI (renovation maintenance improvement) and 40% construction. It is a leading US industrial distributor with 1 and 2 positions in majority of markets where there are scale advantages over a long, fragmented tail. Hourglass distribution model connecting 34k suppliers with 1m customers. Continued market share growth 3-4% predicted and industry growth of 3-5%. Potential for 6- 9% organic growth. Strong management team and corporate culture, opportunity for shares to compound in line with earnings growth. Shares trade at discount to equivalent quality US distribution peers.

\*Source: London & Capital Asset Management Limited.

## Investment Manager's report - London & Capital Asset Management Limited (continued)

### Investment activities (continued)\*

#### Purchases (continued)

Shell - Leading oil and gas company. Scale, capital, technology and expertise in the management of large long-term projects and globally integrated value chains. Globally the leading gas supplier with the largest retail services network. Disciplined control of costs and capital expenditure deliver best in class cash flow generation. Long term potential from EV charging, carbon capture & storage and biofuels. Improving Environmental Social and Governance ('ESG') profile as they lead the industry in energy transition. Management appropriately aligned including ESG metrics - attractive valuation

Siemens - Global industrial equipment and services conglomerate, leader in automation, healthcare diagnostics, electrical and rail systems. Leading technology, global geographic reach and customer diversity, focusing growth via digitalisation, smart infra, rail systems and health. Help customers increase efficiency and navigate energy transition, electrification - expansion of networks and smart management of systems, replacement of diesel trains with EV and hydrogen power. Growth in health care testing, diagnostics, scanning and radiotherapy. A well- diversified business with expertise in key sectors - focus is on value creation through portfolio management.

Air Liquide - We switched our holding from Linde into Air Liquide. Air Liquide is also an industrial gases business, which is an industry we continue to favour after it consolidated into a triopoly after decades of consolidation. Diversified and growing end markets and long-term contracts provide visibility into stable growth. We bought the business as a "compounder" and believe the market underappreciates the margin upside over the medium-term as Air Liquide closes the gap between their 21% operating margins and best-in-class Linde at 30%. This is being driven by contract repricing as well as their "advance" cost cutting programme. This will drive superior growth which we don't believe is reflected in the valuation.

#### Investment strategy

The Aurinko Fund is invested in a balanced strategy, designed to produce steady returns from capital and income over the long-term. The portfolio is invested in a combination of Equity and Fixed Income funds.

We seek to compound superior risk-adjusted returns ahead of inflation over a business cycle.

We provide clients with the widest set of potential investment opportunities. London & Capital Asset Management Limited offer dedicated expertise across all asset classes and regions.

We firmly believe in the benefits of active management, both in terms of asset allocation and security selection. This helps us to avoid areas at risk of capital loss and better protect client capital in periods of drawdown.

We invest predominantly in direct equities, bonds and alternatives, providing greater control over portfolio construction and greater transparency for clients around what they own.

Our portfolios are concentrated but broadly diversified. The best risk management technique is knowing and understanding what you own.

ESG factors are intrinsically linked to the long-term financial sustainability and returns of an investment, thereby forming a natural part of good fundamental research. We also use engagement and voting to help encourage better corporate behaviours.

#### Investment outlook\*

The second half of 2024 began with heightened volatility and shifting market dynamics.

July saw a reversal in the "Magnificent Seven" tech stocks as investors rotated into defensive equities amid weaker economic data and geopolitical tensions. US Treasury yields fell on softer inflation, while the UK's Labour victory and better CPI data prompted a 0.25% rate cut to 5%.

August brought sharp equity swings triggered by the unwinding of the Japanese yen carry trade, though markets recovered as US inflation moderated and the Fed signalled gradual rate cuts. The portfolio's exposure to defensive equities resulted in outperformance.

September was calmer, with the Fed cutting rates by 0.5% and China launching stimulus, though equity gains were modest. Eurozone inflation eased to 2%, supporting further European Central Bank cuts, while UK gilts lagged as the Bank of England held rates.

\*Source: London & Capital Asset Management Limited.

## Investment Manager's report - London & Capital Asset Management Limited (continued)

### Investment outlook (continued)\*

October saw volatility rise again, driven by strong US jobs data and fears of a Trump victory, which pushed Treasury yields to 4.3% and dampened defensive equities.

November delivered strong global equity gains, led by the US on expectations of Trump's pro-business agenda, though bond markets faced issuance concerns. The Fed cut rates to 4.5%, while European bonds rallied on weak data.

December ended on a sour note as equities fell amid speculation and policy uncertainty. The Fed cut rates to 4.25% but hinted at a pause, while UK gilts and US Treasuries sold off on fiscal concerns. By year-end, policy uncertainty dominated, with markets weighing Trump's fiscal plans, tariff risks, and the potential for slower rate cuts.

The first half of 2025 opened with optimism but quickly turned volatile.

January saw global equities rise, led by Europe, while US tech underperformed. Trump's policy agenda, including tariff threats and tax cuts, drove Treasury yields to 4.8% mid-month before easing. The Bank of England and ECB cut rates by 0.25%, while gold surged on geopolitical risks.

February brought mixed signals: US equities weakened on concerns over an AI bubble and policy confusion, while Europe outperformed. Credit spreads widened, and gold continued to climb.

March saw a 4% global equity drop as tariff fears escalated, culminating in April's "Liberation Day" announcement of punitive tariffs, triggering a 20% US equity drawdown before a partial rebound. The recovery was unequal, and in the portfolio's equity allocation, underweight technology, overweight healthcare was a headwind. Bond markets swung sharply, with Treasury yields spiking to 4.6% before stabilizing.

May marked a turning point as trade tensions eased and tech earnings reassured investors, fuelling a strong equity rally. The Fed held rates steady, while UK and Eurozone bonds diverged.

June extended the recovery, with the S&P 500 hitting record highs above 6000, supported by resilient US data and the approval of a \$3.3 trillion spending bill. Fixed income markets rallied on improving inflation expectations, while credit spreads tightened. Despite the rebound, geopolitical risks, tariff uncertainty, and fiscal challenges kept volatility elevated, underscoring the need for diversification and quality-focused strategies.

Given the heightened uncertainty from unpredictable politics, including global trade policies and ongoing wars, we expect the remainder of the year to remain volatile. The biggest risks we see to equity markets are a global trade war, a spike in inflation, and a cooling of AI demand. The trade moratorium being delayed to the end of August, from 9th July, allows scope for more trade deals to be agreed and reduce the overall tariff burden. This could continue to provide a positive tailwind for equity markets.

On the topic of US exceptionalism, we believe it is important to distinguish between "Corporate America" and "Political America". We believe it is premature to call for the broad-based demise of the US corporate sector, which still accounts for approximately 64% of the world's stock market and continues to offer investors the greatest breadth and depth of investment opportunity globally. While we are seeing some encouraging developments in other parts of the world, no region is without risk, and none would be completely immune to weakness in the US economy. The US remains nearly twice the size of the Chinese economy, ten times the size of the Indian economy, and California alone ranks as the fourth largest economy in the world (just behind Germany).

From an investment perspective, we continue to focus on "what" we own rather than "where". In this environment, diversification is key. Heightened volatility is presenting attractive opportunities for active investors in the US and ROW but, as ever, it requires careful stock selection, discipline on valuation and a long-term investment perspective.

London & Capital Asset Management Limited  
21 July 2025

\*Source: London & Capital Asset Management Limited.

## Summary of portfolio changes

for the year ended 30 June 2025

The following represents the major purchases and sales in the year to reflect a clearer picture of the investment activities.

	Cost £
Purchases:	
Kreditanstalt fuer Wiederaufbau 4.25% 01/10/2030	1,003,950
Apple	623,201
ASML Holding	412,585
Amazon.com	343,859
Pacific Capital UCITS Funds - Pacific North of South EM All Cap Equity	292,568
Alphabet 'C'	286,265
Taiwan Semiconductor Manufacturing	285,930
Home Depot	284,531
Meta Platforms 'A'	280,651
UnitedHealth Group	273,792
National Grid	266,051
Nestlé	263,635
Cooper	254,481
Spotify Technology	254,383
JPMorgan Chase	242,503
NVIDIA	214,587
Akamai Technologies	203,274
GE Vernova	192,861
Eli Lilly	190,470
Morgan Stanley	181,584
	Proceeds £
Sales:	
Kreditanstalt fuer Wiederaufbau 1.375% 09/12/2024	1,000,000
Sage Group	587,844
Compass Group	571,978
Alphabet 'A'	567,655
UK Treasury Gilt 0.5% 31/01/2029	528,338
UK Treasury Gilt 1.25% 22/07/2027	521,310
Aberforth Smaller Companies Trust	461,144
Greggs	407,039
Howden Joinery Group	403,829
Unilever	346,312
Hexagon	329,759
Northern Trust	300,165
National Grid	296,058
Walt Disney	290,310
Bunzl	258,599
Standard Chartered	241,242
Accenture	238,721
AstraZeneca	228,142
Londonmetric Property	223,299
Intuit	220,356



Portfolio statement  
as at 30 June 2025

Investment	Nominal value or holding	Market value £	% of total net assets
Debt Securities* 21.26% (21.23%)			
Aaa to Aa2 10.88% (9.79%)			
Asian Development Bank 0.75% 07/12/2027	£1,400,000	1,299,060	3.01
European Investment Bank 0% 07/12/2028	£1,469,000	1,282,951	2.98
International Bank for Reconstruction & Development 0.75% 15/12/2026	£550,000	525,459	1.22
Kreditanstalt fuer Wiederaufbau 0.875% 15/09/2026	£600,000	578,166	1.34
Kreditanstalt fuer Wiederaufbau 4.25% 01/10/2030	£1,000,000	1,005,510	2.33
		<u>4,691,146</u>	<u>10.88</u>
Aa3 to A1 10.38% (11.44%)			
UK Treasury Gilt 0.25% 31/07/2031	£1,200,000	962,484	2.23
UK Treasury Gilt 0.375% 22/10/2030	£735,000	613,519	1.42
UK Treasury Gilt 0.875% 22/10/2029	£1,200,000	1,063,632	2.47
UK Treasury Gilt 0.875% 31/07/2033	£650,000	499,350	1.16
UK Treasury Gilt 1.25% 22/07/2027	£460,000	437,943	1.02
UK Treasury Gilt 1.5% 22/07/2026	£450,000	439,592	1.02
UK Treasury Gilt 2% 07/09/2025	£200,000	199,182	0.46
UK Treasury Gilt 4.25% 07/03/2036	£264,000	256,962	0.60
		<u>4,472,664</u>	<u>10.38</u>
Total debt securities		<u>9,163,810</u>	<u>21.26</u>
Equities 42.71% (47.72%)			
Equities - United Kingdom 14.41% (22.60%)			
Equities - incorporated in the United Kingdom 14.41% (22.13%)			
Energy 1.71% (2.13%)			
BP	90,000	329,130	0.76
Shell	16,000	408,560	0.95
		<u>737,690</u>	<u>1.71</u>
Materials 1.95% (2.53%)			
Croda International	7,000	204,680	0.47
Hill & Smith Holdings	16,500	295,680	0.69
Rio Tinto	8,000	339,600	0.79
		<u>839,960</u>	<u>1.95</u>
Industrials 1.81% (4.38%)			
Ashtead Group	4,500	210,060	0.49
Bunzl	7,500	174,000	0.40
Rentokil Initial	22,477	79,119	0.18
Rotork	100,000	321,000	0.74
		<u>784,179</u>	<u>1.81</u>
Consumer Discretionary 0.65% (2.69%)			
Whitbread	10,000	282,000	0.65

\* Grouped by credit rating - source: Interactive Data and Bloomberg.

Portfolio statement (continued)  
as at 30 June 2025

	Nominal value or holding	Market value £	% of total net assets
Investment			
Equities (continued)			
Equities - United Kingdom (continued)			
Equities - incorporated in the United Kingdom (continued)			
Consumer Staples 1.27% (1.59%)			
Coca-Cola Europacific Partners	2,527	170,889	0.40
Diageo	11,000	201,025	0.47
Reckitt Benckiser Group	3,500	173,425	0.40
		<u>545,339</u>	<u>1.27</u>
Health Care 1.64% (2.10%)			
AstraZeneca	1,245	125,994	0.29
GSK	24,000	333,480	0.77
Smith & Nephew	22,500	250,425	0.58
		<u>709,899</u>	<u>1.64</u>
Financials 3.27% (2.63%)			
Legal & General Group	200,000	509,000	1.18
M&G	120,000	308,400	0.72
Prudential	25,000	228,150	0.53
Standard Chartered	30,000	362,100	0.84
		<u>1,407,650</u>	<u>3.27</u>
Information Technology 0.00% (1.55%)		-	-
Utilities 1.19% (0.97%)			
National Grid	48,320	512,917	1.19
Real Estate 0.92% (1.56%)			
Primary Health Properties	400,000	395,600	0.92
		<u>6,215,234</u>	<u>14.41</u>
Total equities - incorporated in the United Kingdom			
Equities - incorporated outwith the United Kingdom 0.00% (0.47%)			
Industrials 0.00% (0.47%)		-	-
		<u>6,215,234</u>	<u>14.41</u>
Total equities - United Kingdom			
Equities - Europe 6.37% (6.00%)			
Equities - Finland 0.00% (0.18%)		-	-
Equities - France 0.77% (0.91%)			
Pernod Ricard	1,500	108,703	0.25
TotalEnergies	4,986	222,521	0.52
Total equities - France		<u>331,224</u>	<u>0.77</u>

Portfolio statement (continued)  
as at 30 June 2025

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - Europe (continued)			
Equities - Ireland 1.14% (0.90%)			
Accenture	715	155,820	0.36
Eaton	687	178,945	0.42
Kerry Group	2,000	156,587	0.36
Total equities - Ireland		<u>491,352</u>	<u>1.14</u>
Equities - Luxembourg 0.49% (0.00%)			
Spotify Technology	377	210,934	0.49
Equities - Netherlands 0.93% (0.28%)			
ASML Holding	693	402,242	0.93
Equities - Spain 0.40% (0.36%)			
Banco Bilbao Vizcaya Argentaria	15,268	170,545	0.40
Equities - Sweden 0.00% (0.72%)		-	-
Equities - Switzerland 2.64% (2.65%)			
DSM-Firmenich	2,299	177,713	0.41
Nestlé	3,500	252,906	0.59
Novartis	4,000	352,549	0.82
Roche Holding	1,500	355,336	0.82
Total equities - Switzerland		<u>1,138,504</u>	<u>2.64</u>
Total equities - Europe		<u>2,744,801</u>	<u>6.37</u>
Equities - United States 20.07% (17.32%)			
Air Products & Chemicals	820	168,751	0.39
Akamai Technologies	3,500	203,663	0.47
Alphabet 'C'	2,250	291,161	0.68
Amazon.com	4,486	718,100	1.67
American Tower	963	155,242	0.36
Apple	3,201	478,976	1.11
Blackstone Group	1,662	181,403	0.42
Boston Scientific	2,183	171,011	0.40
Cooper	2,518	130,756	0.30
Danaher	1,188	171,184	0.40
Deere	600	222,495	0.52
Eli Lilly	291	165,426	0.38
Ferguson Enterprises GBP	1,229	195,534	0.45
Ferguson Enterprises USD	372	59,122	0.14

Portfolio statement (continued)  
as at 30 June 2025

Investment	Nominal value or holding	Market value £	% of total net assets
Equities (continued)			
Equities - United States (continued)			
GE Vernova	355	137,036	0.32
General Electric	699	131,205	0.30
Home Depot	856	228,993	0.53
JPMorgan Chase	1,215	256,911	0.60
Marsh & McLennan	899	143,462	0.33
Martin Marietta Materials	406	162,578	0.38
Marvell Technology	1,788	100,937	0.23
Mastercard	700	286,901	0.67
Meta Platforms 'A'	564	303,741	0.70
Microsoft	3,393	1,230,899	2.85
Morgan Stanley	2,652	272,467	0.63
NVIDIA	3,773	434,638	1.01
Procter & Gamble	2,393	278,163	0.65
S&P Global	681	261,884	0.61
salesforce.com	818	162,728	0.38
Stryker	1,200	346,291	0.80
UnitedHealth Group	502	114,225	0.26
Walt Disney	2,000	180,874	0.42
Waste Management	949	158,443	0.37
Zoetis	1,300	147,878	0.34
Total equities - United States		<u>8,653,078</u>	<u>20.07</u>
Equities - Japan 0.79% (1.17%)			
Hoya	1,494	129,293	0.30
Keyence	720	210,354	0.49
Total equities - Japan		<u>339,647</u>	<u>0.79</u>
Equities - Taiwan 1.07% (0.63%)			
Taiwan Semiconductor Manufacturing	2,790	<u>460,843</u>	<u>1.07</u>
Total equities		<u>18,413,603</u>	<u>42.71</u>
Closed-Ended Funds - United Kingdom 9.75% (9.81%)			
Closed-Ended Funds - incorporated in the United Kingdom 8.67% (8.73%)			
Aberforth Smaller Companies Trust	25,000	384,000	0.89
Henderson European Focus Trust	503,120	1,016,302	2.36
Polar Capital Technology Trust	300,000	1,090,500	2.53
Scottish Oriental Smaller Companies Trust	300,000	870,000	2.02
Templeton Emerging Markets Investment Trust	200,000	<u>374,000</u>	<u>0.87</u>
Total closed-ended funds - incorporated in the United Kingdom		<u>3,734,802</u>	<u>8.67</u>

## Portfolio statement (continued)

as at 30 June 2025

Investment	Nominal value or holding	Market value £	% of total net assets
Closed-Ended Funds - United Kingdom (continued)			
Closed-Ended Funds - incorporated outwith the United Kingdom 1.08% (1.08%)			
Aberdeen Asian Income Fund	209,000	466,070	1.08
		<u>4,200,872</u>	<u>9.75</u>
Total closed-ended funds - United Kingdom			
Collective Investment Schemes 24.42% (20.89%)			
UK Authorised Collective Investment Schemes 5.45% (4.72%)			
Baillie Gifford Investment Funds II ICVC - Japanese Income Growth Fund	350,000	492,800	1.14
Baillie Gifford Overseas Growth Funds ICVC - American Fund	60,000	954,593	2.21
Fidelity Investment Funds - Asia Fund	25,000	423,251	0.98
FP WHEB Sustainability Impact Fund	250,000	480,675	1.12
Total UK authorised collective investment schemes		<u>2,351,319</u>	<u>5.45</u>
Offshore Collective Investment Schemes 18.97% (16.17%)			
Findlay Park American Fund	8,000	1,338,288	3.10
iShares Core MSCI EM IMI UCITS ETF	9,276	265,957	0.62
iShares MSCI India UCITS ETF	2,516	18,412	0.04
iShares S&P 500 Health Care Sector UCITS ETF	5,037	39,312	0.09
iShares STOXX Europe 600 Health Care UCITS ETF	594	52,439	0.12
L&G Cyber Security UCITS ETF	11,000	261,030	0.61
L&G ROBO Global Robotics and Automation UCITS ETF	12,000	210,000	0.49
Lazard Global Listed Infrastructure Equity Fund	47,254	671,247	1.56
London & Capital Global Equity Opportunities Fund #	3,372	462,808	1.07
London & Capital Global Growth Fixed Income Fund #	11,739	1,117,132	2.59
London & Capital Global Star Equity Fund #	9,988	1,649,841	3.83
London and Capital Global Income Balanced Fixed Income Fund #	19,184	1,758,980	4.08
Pacific Capital UCITS Funds - Pacific North of South EM All Cap Equity	22,500	316,530	0.73
Xtrackers MSCI Mexico UCITS ETF	3,668	18,509	0.04
Total offshore collective investment schemes		<u>8,180,485</u>	<u>18.97</u>
Total collective investment schemes		<u>10,531,804</u>	<u>24.42</u>

# Securities managed by the Investment Manager, London & Capital Asset Management Limited.

Portfolio statement (continued)  
as at 30 June 2025

Investment	Nominal value or holding	Market value £	% of total net assets
Forward currency contracts 0.29% (0.21%)			
Sell euro	(€140,000)	(120,006)	
Buy UK sterling	£117,449	117,449	
Expiry date 10 July 2025		(2,557)	(0.01)
Sell Japanese yen	(¥4,252,000)	(21,507)	
Buy UK sterling	£21,851	21,851	
Expiry date 10 July 2025		344	0.00
Sell euro	(€401,000)	(343,894)	
Buy UK sterling	£349,311	349,311	
Expiry date 17 July 2025		5,417	0.01
Sell Japanese yen	(¥29,508,000)	(149,376)	
Buy UK sterling	£159,572	159,572	
Expiry date 17 July 2025		10,196	0.02
Sell US dollar	(\$4,427,000)	(3,230,296)	
Buy UK sterling	£3,343,986	3,343,986	
Expiry date 17 July 2025		113,690	0.27
Forward currency contracts assets		129,647	0.30
Forward currency contracts liabilities		(2,557)	(0.01)
Total forward currency contracts		127,090	0.29
Investment assets		42,439,736	98.44
Investment liabilities		(2,557)	(0.01)
Portfolio of investments		42,437,179	98.43
Other net assets		676,636	1.57
Total net assets		43,113,815	100.00

All investments are listed on recognised stock exchanges and are approved securities or regulated collective investment schemes within the meaning of the FCA rules unless otherwise stated. Forward contracts are not listed on stock exchanges and are considered over-the-counter instruments.

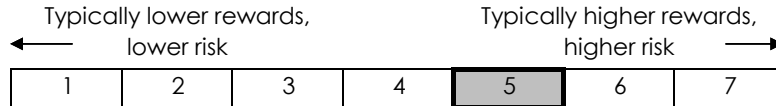
The comparative figures in brackets are as at 30 June 2024.

United Kingdom equities are grouped in accordance with Global Industry Classification Standard ('GICS').

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## Risk and reward profile\*

The risk and reward indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.



The Fund is in a higher category because the price of its investments have risen or fallen frequently and more dramatically than some other types of investment. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

For full details on risk factors for the Fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

\* As per the KIID published on 2 July 2025.

## Comparative table

The following disclosures give a shareholder an indication of the performance of a share in the Fund. It also discloses the operating charges and direct transaction costs applied to each share. Operating charges are those charges incurred in operating the Fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

	2025	2024	2023
	p	p	p
<b>Income</b>			
Change in net assets per share			
Opening net asset value per share	2,628.99	2,434.05	2,377.08
Return before operating charges	113.76	255.13	112.71
Operating charges	(28.87)	(26.75)	(27.67)
Return after operating charges *	84.89	228.38	85.04
Distributions <sup>^</sup>	(33.79)	(33.44)	(28.07)
Closing net asset value per share	2,680.09	2,628.99	2,434.05
* after direct transaction costs of:	0.17	0.25	0.34
<b>Performance</b>			
Return after charges	3.23%	9.38%	3.58%
<b>Other information</b>			
Closing net asset value (£)	42,588,775	46,288,023	43,873,569
Closing number of shares	1,589,080	1,760,674	1,802,492
Operating charges <sup>^^</sup>	1.08%	1.06%	1.15%
Direct transaction costs	0.01%	0.01%	0.01%
<b>Published prices</b>			
Highest share price	2,752	2,680	2,539
Lowest share price	2,488	2,349	2,239

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

<sup>^</sup> Rounded to 2 decimal places.

<sup>^^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes and closed ended vehicles such as investment trusts in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 30 November 2023, the synthetic OCF calculation no longer includes closed ended vehicles.



## Comparative table (continued)

	2025	2024	2023
Accumulation	p	p	p
Change in net assets per share			
Opening net asset value per share	3,164.80	2,893.23	2,793.27
Return before operating charges	137.15	303.64	132.90
Operating charges	(34.75)	(32.07)	(32.94)
Return after operating charges *	102.40	271.57	99.66
Distributions <sup>^</sup>	(40.86)	(39.58)	(32.62)
Retained distributions on accumulation shares <sup>^</sup>	40.86	39.58	32.62
Closing net asset value per share	3,267.20	3,164.80	2,893.23
* after direct transaction costs of:	0.21	0.31	0.44
Performance			
Return after charges	3.24%	9.39%	3.58%
Other information			
Closing net asset value (£)	525,040	636,754	737,433
Closing number of shares	16,070	20,120	25,488
Operating charges <sup>^^</sup>	1.08%	1.06%	1.15%
Direct transaction costs	0.01%	0.01%	0.01%
Published prices			
Highest share price	3,328	3,201	2,984
Lowest share price	3,009	2,792	2,631

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

<sup>^</sup> Rounded to 2 decimal places.

<sup>^^</sup> The operating charges are represented by the Ongoing Charges Figure ('OCF'). The OCF consists principally of the ACD's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which may occur in a year as it is calculated on historical data.

The OCF includes expenses incurred by underlying holdings of collective investment schemes and closed ended vehicles such as investment trusts in relation to the Fund (the synthetic 'OCF'). Following guidance issued by the Investment Association on 30 November 2023, the synthetic OCF calculation no longer includes closed ended vehicles.

## Financial statements - The Aurinko Fund

### Statement of total return for the year ended 30 June 2025

	Notes	2025		2024	
		£	£	£	£
Income:					
Net capital gains	2		874,432		3,556,748
Revenue	3	992,674		1,064,667	
Expenses	4	<u>(411,683)</u>		<u>(429,514)</u>	
Net revenue before taxation		580,991		635,153	
Taxation	5	<u>(24,348)</u>		<u>(26,400)</u>	
Net revenue after taxation			<u>556,643</u>		<u>608,753</u>
Total return before distributions			1,431,075		4,165,501
Distributions	6		(556,647)		(608,750)
Change in net assets attributable to shareholders from investment activities			<u>874,428</u>		<u>3,556,751</u>

### Statement of change in net assets attributable to shareholders for the year ended 30 June 2025

	2025	2024
	£	£
Opening net assets attributable to shareholders	46,924,777	44,611,002
Amounts payable on cancellation of shares	(4,693,206)	(1,250,939)
Dilution levy	1,250	-
Change in net assets attributable to shareholders from investment activities	874,428	3,556,751
Retained distributions on accumulation shares	6,566	7,963
Closing net assets attributable to shareholders	<u>43,113,815</u>	<u>46,924,777</u>

Balance sheet  
as at 30 June 2025

	Notes	2025 £	2024 £
Assets:			
Fixed assets:			
Investments		42,439,736	46,857,029
Current assets:			
Debtors	7	1,960,604	232,660
Cash and bank balances	8	862,548	309,170
Total assets		<u>45,262,888</u>	<u>47,398,859</u>
Liabilities:			
Investment liabilities		(2,557)	-
Creditors:			
Bank overdrafts	8	(396,121)	-
Distribution payable		(340,142)	(361,343)
Other creditors	9	(1,410,253)	(112,739)
Total liabilities		<u>(2,149,073)</u>	<u>(474,082)</u>
Net assets attributable to shareholders		<u><u>43,113,815</u></u>	<u><u>46,924,777</u></u>

## Notes to the financial statements

for the year ended 30 June 2025

### 1. Accounting policies

The accounting policies are disclosed on pages 9 to 11.

2. Net capital gains	2025	2024
	£	£
Non-derivative securities - realised gains	2,539,929	741,912
Non-derivative securities - movement in unrealised (losses)/gains	(1,887,547)	2,819,301
Currency (losses)/gains	(23,737)	37,454
Forward currency contracts gains/(losses)	256,715	(29,339)
Compensation	(4)	-
Transaction charges	(10,924)	(12,580)
Total net capital gains	<u>874,432</u>	<u>3,556,748</u>
3. Revenue	2025	2024
	£	£
UK revenue	378,628	451,611
Unfranked revenue	34,320	37,235
Overseas revenue	396,736	398,122
Interest on debt securities	180,891	170,467
Bank and deposit interest	2,099	7,232
Total revenue	<u>992,674</u>	<u>1,064,667</u>
4. Expenses	2025	2024
	£	£
Payable to the ACD and associates		
Annual management charge*	572,263	598,044
Annual management charge rebate*	(188,608)	(197,052)
	<u>383,655</u>	<u>400,992</u>
Payable to the Depositary		
Depositary fees	<u>14,527</u>	<u>15,181</u>
Other expenses:		
Audit fee	8,700	8,700
Non-executive directors' fees	946	1,641
Safe custody fees	2,347	2,435
Bank interest	586	99
FCA fee	609	242
KIID production fee	313	224
	<u>13,501</u>	<u>13,341</u>
Total expenses	<u>411,683</u>	<u>429,514</u>

\*The annual management charge is 1.30% and includes the ACD's periodic charge and the Investment Managers' fees. Where the ACD's periodic charge and the Investment Managers' fees are cumulatively lower than the annual management charge a rebate may occur. For the year ended 30 June 2025, the annual management charge after rebates is 0.87%.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 5. Taxation

	2025	2024
	£	£
<i>a. Analysis of the tax charge for the year</i>		
Overseas tax withheld	24,348	26,400
Total taxation (note 5b)	<u>24,348</u>	<u>26,400</u>

#### *b. Factors affecting the tax charge for the year*

The tax assessed for the year is lower (2024: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2024: 20%). The differences are explained below:

	2025	2024
	£	£
Net revenue before taxation	<u>580,991</u>	<u>635,153</u>
Corporation tax @ 20%	116,198	127,031
Effects of:		
UK revenue	(75,726)	(90,322)
Overseas revenue	(53,453)	(51,433)
Overseas tax withheld	24,348	26,400
Excess management expenses	12,981	14,724
Total taxation (note 5a)	<u>24,348</u>	<u>26,400</u>

#### *c. Provision for deferred taxation*

At the year end, a deferred tax asset has not been recognised in respect of timing differences relating to excess management expenses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £486,886 (2024: £473,905).

### 6. Distributions

The distributions take account of revenue added on the issue of shares and revenue deducted on the cancellation of shares, and comprise:

	2025	2024
	£	£
Interim income distribution	197,227	232,282
Interim accumulation distribution	2,403	3,021
Final income distribution	340,142	361,343
Final accumulation distribution	4,163	4,942
	<u>543,935</u>	<u>601,588</u>
Equalisation:		
Amounts deducted on cancellation of shares	12,712	7,162
Total net distributions	<u>556,647</u>	<u>608,750</u>
Reconciliation between net revenue and distributions:		
Net revenue after taxation per Statement of total return	556,643	608,753
Undistributed revenue brought forward	16	13
Undistributed revenue carried forward	(12)	(16)
Distributions	<u>556,647</u>	<u>608,750</u>

Details of the distribution per share are disclosed in the Distribution table.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

7. Debtors	2025	2024
	£	£
Sales awaiting settlement	1,821,006	98,248
Currency trades outstanding	1,220	-
Accrued revenue	112,989	108,525
Recoverable overseas withholding tax	9,708	9,152
Prepaid expenses	-	114
	<u>1,944,923</u>	<u>216,039</u>
Payable from the ACD and associates		
Annual management charge rebate	<u>15,681</u>	<u>16,621</u>
Total debtors	<u><u>1,960,604</u></u>	<u><u>232,660</u></u>
8. Cash and bank balances	2025	2024
	£	£
Bank balances	<u>862,548</u>	<u>309,170</u>
Bank overdraft	<u>(396,121)</u>	<u>-</u>
Total cash and bank balances	<u><u>466,427</u></u>	<u><u>309,170</u></u>
9. Other creditors	2025	2024
	£	£
Purchases awaiting settlement	1,351,827	99,508
Accrued expenses:		
Payable to the ACD and associates		
Annual management charge	<u>47,037</u>	<u>3,361</u>
Other expenses:		
Depositary fees	1,194	85
Safe custody fees	849	228
Audit fee	8,700	8,700
Non-executive directors' fees	-	689
FCA fee	139	70
Transaction charges	<u>507</u>	<u>98</u>
	<u>11,389</u>	<u>9,870</u>
Total accrued expenses	<u><u>58,426</u></u>	<u><u>13,231</u></u>
Total other creditors	<u><u>1,410,253</u></u>	<u><u>112,739</u></u>

## 10. Commitments and contingent liabilities

At the balance sheet date there are no commitments or contingent liabilities.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 11. Share classes

The following reflects the change in shares in issue in the year:

	Income
Opening shares in issue	1,760,674
Total shares cancelled in the year	<u>(171,594)</u>
Closing shares in issue	<u>1,589,080</u>
	Accumulation
Opening shares in issue	20,120
Total shares cancelled in the year	<u>(4,050)</u>
Closing shares in issue	<u>16,070</u>

Further information in respect of the return per share is disclosed in the Comparative table.

On the winding up of a Fund all the assets of the Fund will be realised and apportioned to the share types in relation to the net asset value on the closure date. Shareholders will receive their respective share of the proceeds, net of liabilities and the expenses incurred in the termination in accordance with the FCA regulations. Each share type has the same rights on winding up.

### 12. Related party transactions

Tutman Fund Solutions Limited (previously Evelyn Partners Fund Solutions Limited), as ACD is a related party due to its ability to act in respect of the operations of the Fund.

The ACD acts as principal in respect of all transactions of shares in the Fund. The aggregate monies received and paid through the creation and cancellation of shares are disclosed in the Statement of change in net assets attributable to shareholders of the Fund.

Amounts payable to the ACD and its associates are disclosed in note 4. The amount due to the ACD and its associates at the balance sheet date is disclosed in notes 7 and 9.

### 13. Events after the balance sheet date

Subsequent to the year end, the net asset value per income share has increased from 2,680p to 2,833p and the accumulation share has increased from 3,267p to 3,454p as at 3 October 2025. This movement takes into account routine transactions but also reflects the market movements of recent months.

### 14. Transaction costs

#### a Direct transaction costs

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers; levies by regulatory agencies and security exchanges; and transfer taxes and duties.

Commission is a charge which is deducted from the proceeds of the sale of securities and added to the cost of the purchase of securities. This charge is a payment to agents, advisers, brokers and dealers in respect of their services in executing the trades.

Tax is payable on the purchase of securities in the United Kingdom. It may be the case that 'other taxes' will be charged on the purchase of securities in countries other than the United Kingdom.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 14. Transaction costs (continued)

#### a Direct transaction costs (continued)

The total purchases and sales and the related direct transaction costs incurred in these transactions are as follows:

	Purchases before transaction costs		Commission		Taxes		Financial transaction tax		Purchases after transaction costs
	£	£	%	£	%	£	%	£	
2025									
Equities	6,716,378	1,656	0.02%	961	0.01%	62	0.00%	6,719,057	
Bonds*	1,102,018	-	-	-	-	-	-	1,102,018	
Collective Investment Schemes*	412,153	-	-	-	-	-	-	412,153	
Total	8,230,549	1,656	0.02%	961	0.01%	62	0.00%	8,233,228	

	Purchases before transaction costs		Commission		Taxes		Financial transaction tax		Purchases after transaction costs
	£	£	%	£	%	£	%	£	
2024									
Equities	3,812,646	1,703	0.04%	1,951	0.05%	610	0.02%	3,816,910	
Bonds*	2,721,396	-	-	-	-	-	-	2,721,396	
Collective Investment Schemes*	696,923	-	-	-	-	-	-	696,923	
Total	7,230,965	1,703	0.04%	1,951	0.05%	610	0.02%	7,235,229	

Capital events amount of £nil (2024: £75,246) is excluded from the total purchases as there were no direct transaction costs charged in these transactions.

	Sales before transaction costs		Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£	
2025									
Equities	10,420,923	(71)	0.00%	(47)	0.00%	-	-	10,420,805	
Closed-Ended Funds	647,520	-	-	(4)	0.00%	-	-	647,516	
Bonds	2,245,574	(61)	0.00%	-	-	-	-	2,245,513	
Collective Investment Schemes*	109,524	-	-	-	-	-	-	109,524	
Total	13,423,541	(132)	0.00%	(51)	0.00%	-	-	13,423,358	

\* No direct transaction costs were incurred in these transactions.



## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 14. Transaction costs (continued)

#### a Direct transaction costs (continued)

	Sales before transaction costs		Commission		Taxes		Financial transaction tax		Sales after transaction costs
	£	£	%	£	%	£	%	£	
2024									
Equities	3,673,062	(211)	0.01%	(6)	0.00%	-	-	3,672,845	
Closed-Ended Funds	172,750	-	-	(1)	0.00%	-	-	172,749	
Bonds*	2,471,169	-	-	-	-	-	-	2,471,169	
Collective Investment Schemes*	899,929	-	-	-	-	-	-	899,929	
Total	7,216,910	(211)	0.01%	(7)	0.00%	-	-	7,216,692	

Capital events amount of £3,293 (2024: £313,113) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

#### Summary of direct transaction costs

The following represents the total of each type of transaction cost, expressed as a percentage of the Fund's average net asset value in the year:

	£	% of average net asset value
2025		
Commission	1,788	0.01%
Taxes	1,012	0.00%
Financial transaction tax	62	0.00%
2024		
Commission	1,914	0.00%
Taxes	1,958	0.01%
Financial transaction tax	610	0.00%

#### b Average portfolio dealing spread

The average portfolio dealing spread is calculated as the difference between the bid and offer value of the portfolio as a percentage of the offer value.

The average portfolio dealing spread of the investments at the balance sheet date was 0.10% (2024: 0.12%).

### 15. Risk management policies

In pursuing the Fund's investment objective, as set out in the Prospectus, the following are accepted by the ACD as being the main risks from the Fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the ACD's policy for managing these risks. To ensure these risks are consistently and effectively managed these are continually reviewed by the risk committee, a body appointed by the ACD, which sets the risk appetite and ensures continued compliance with the management of all known risks.

#### a Market risk

Market risk is the risk that the value of the Fund's financial instruments will fluctuate as a result of changes in market prices and comprise three elements: other price risk, currency risk, and interest rate risk.

\* No direct transaction costs were incurred in these transactions.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 15. Risk management policies (continued)

#### a Market risk (continued)

##### (i) Other price risk

The Fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are equities, collective investment schemes and closed-ended funds.

This risk is generally regarded as consisting of two elements: stock specific risk and market risk. Through these two factors, the Fund is exposed to price fluctuations, which are monitored by the ACD in pursuance of the investment objective and policy.

Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective of the Fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 30 June 2025, if the price of the investments held by the Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £1,657,314 (2024: £1,839,901).

##### (ii) Currency risk

Currency risk is the risk that the value of investments or future cash flows will fluctuate as a result of exchange rate movements. Investment in overseas securities or holdings of foreign currency cash will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates against sterling. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. These fluctuations can also affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms, and the prices of imports sold in the UK.

Forward currency contracts may be used to manage the portfolio exposure to currency movements.

The foreign currency risk profile of the Fund's financial instruments and cash holdings at the balance sheet date is as follows:

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2025	£	£	£
Euro	1,288,193	(207,487)	1,080,706
Japanese yen	339,647	22,597	362,244
Swedish krona	8	-	8
Swiss franc	960,791	(254,997)	705,794
US dollar	12,159,582	(857,770)	11,301,812
Total foreign currency exposure	14,748,221	(1,297,657)	13,450,564

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 15. Risk management policies (continued)

#### a Market risk (continued)

#### (ii) Currency risk (continued)

	Financial instruments and cash holdings	Net debtors and creditors	Total net foreign currency exposure
2024	£	£	£
Euro	1,339,955	12,252	1,352,207
Japanese yen	552,093	-	552,093
Swedish krona	344,148	-	344,148
Swiss franc	871,112	-	871,112
US dollar	10,432,076	11,034	10,443,110
Total foreign currency exposure	<u>13,539,384</u>	<u>23,286</u>	<u>13,562,670</u>

At 30 June 2025, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £479,402 (2024: £478,940). Forward currency contracts are used to manage the portfolio exposure to currency movements.

#### (iii) Interest rate risk

Interest rate risk is the risk that the value of the Fund's investments will fluctuate as a result of interest rate changes.

During the year the Fund's direct exposure to interest rates consisted of cash and bank balances and interest bearing securities. The Fund also has indirect exposure to interest rate risk as it invests in bond funds. The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates. The value of interest bearing securities may be affected by changes in the interest rate environment, either globally or locally.

At 30 June 2025, if interest rates increased or decreased by 25 basis points, with all other variables remaining constant, then the net assets attributable to shareholders of the Fund would increase or decrease by approximately £85,324 (2024: £101,706).

The Fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 15. Risk management policies (continued)

#### a Market risk (continued)

##### (iii) Interest rate risk (continued)

The interest rate risk profile of financial assets and liabilities at the balance sheet date is as follows:

	Variable rate financial assets	Variable rate financial liabilities	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2025	£	£	£	£	£	£
Euro	-	-	-	1,317,552	(236,846)	1,080,706
Japanese yen	-	-	-	362,244	-	362,244
Swedish krona	8	-	-	-	-	8
Swiss franc	-	-	-	960,791	(254,997)	705,794
UK sterling	-	(396,121)	9,163,810	21,294,130	(398,568)	29,663,251
US dollar	862,540	-	-	11,301,812	(862,540)	11,301,812
	<u>862,548</u>	<u>(396,121)</u>	<u>9,163,810</u>	<u>35,236,529</u>	<u>(1,752,951)</u>	<u>43,113,815</u>

	Variable rate financial assets	Variable rate financial liabilities	Fixed rate financial assets	Non-interest bearing financial assets	Non-interest bearing financial liabilities	Total
2024	£	£	£	£	£	£
Euro	-	-	-	1,352,207	-	1,352,207
Japanese yen	-	-	-	552,093	-	552,093
Swedish krona	4,873	-	-	339,275	-	344,148
Swiss franc	-	-	-	871,112	-	871,112
UK sterling	301,196	-	9,912,887	23,522,598	(374,574)	33,362,107
US dollar	3,101	-	46,431	10,493,086	(99,508)	10,443,110
	<u>309,170</u>	<u>-</u>	<u>9,959,318</u>	<u>37,130,371</u>	<u>(474,082)</u>	<u>46,924,777</u>

#### b Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.

The Depositary has appointed the custodian to provide custody services for the assets of the Fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the Fund. The Fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

In addition to the interest rate risk, bond investments are exposed to issuer risk which reflects the ability for the bond issuer to meet its obligations to pay interest and return the capital on the redemption date. Change in issuer risk will change the value of the investments and is dealt with further in note 15a. The debt securities held within the portfolio are investment grade bonds. These are made across a variety of industry sectors, and geographical markets, so as to avoid concentrations of credit risk. A breakdown is provided in the Portfolio statement. The credit quality of the debt securities is disclosed in the Portfolio statement.

The Fund holds cash and cash deposits with financial institutions which potentially exposes the Fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the Fund of default.

Holdings in collective investment schemes are subject to direct credit risk. The exposure to pooled investment vehicles is unrated.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 15. Risk management policies (continued)

#### c Liquidity risk

A significant risk is the cancellation of shares which investors may wish to sell and that securities may have to be sold in order to fund such cancellations if insufficient cash is held at the bank to meet this obligation. If there were significant requests for the redemption of shares at a time when a large proportion of the portfolio of investments were not easily tradable due to market volumes or market conditions, the ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in shares in the Fund.

Investments in smaller companies at times may prove illiquid, as by their nature they tend to have relatively modest traded share capital. Shifts in investor sentiment, or the announcement of new price sensitive information, can provoke significant movement in share prices, and make dealing in any quantity difficult.

The Fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the Fund may not be able to immediately sell such securities.

To reduce liquidity risk the ACD will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the Fund's assets consist of readily realisable securities. This is monitored on a monthly basis and reported to the Risk Committee together with historical outflows of the Fund.

In addition liquidity is subject to stress testing on an annual basis to assess the ability of the Fund to meet large redemptions, while still being able to adhere to its objective guidelines and the FCA investment borrowing regulations.

All of the financial liabilities are payable on demand. In the case of forward foreign currency contracts these are payable in less than one year.

#### d Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

To ensure this, the fair value pricing committee is a body appointed by the ACD to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset. In addition, the committee may also consider adjustments to the Fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

Basis of valuation	Investment	Investment
	assets	liabilities
	2025	2025
	£	£
Quoted prices	27,952,798	-
Observable market data	14,486,938	(2,557)
Unobservable data	-	-
	<u>42,439,736</u>	<u>(2,557)</u>
Basis of valuation	Investment	Investment
	assets	liabilities
	2024	2024
	£	£
Quoted prices	33,203,741	-
Observable market data	13,653,288	-
Unobservable data	-	-
	<u>46,857,029</u>	<u>-</u>

No securities in the portfolio of investments are valued using valuation techniques.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 15. Risk management policies (continued)

#### e Assets subject to special arrangements arising from their illiquid nature

There are no assets held in the portfolio of investments which are subject to special arrangements arising from their illiquid nature.

#### f Derivatives

The Fund may employ derivatives with the aim of reducing the Fund's risk profile, reducing costs or generating additional capital or revenue, in accordance with Efficient Portfolio Management.

The ACD monitors that any exposure is covered globally to ensure adequate cover is available to meet the Fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

In the year there was direct exposure to derivatives. On a daily basis, exposure is calculated in UK sterling using the commitment approach with netting applied where appropriate. The total global exposure figure is divided by the net asset value of the Fund to calculate the percentage global exposure. Global exposure is a risk mitigation technique that monitors the overall commitment to derivatives in the Fund at any given time and may not exceed 100% of the net asset value of the property of the Fund.

For certain derivative transactions cash margins may be required to be paid to the brokers with whom the trades were executed and settled. These balances are subject to daily reconciliations and are held by the broker in segregated cash accounts that are afforded client money protection.

#### (i) Counterparties

Transactions in securities give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. This risk is mitigated by the Fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition the Fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The Fund may transact in derivative contracts which potentially exposes the Fund to counterparty risk from the counterparty not settling their side of the contract. Transactions involving derivatives are entered into only with investment banks and brokers with appropriate and approved credit rating, which are regularly monitored. Forward currency transactions are only undertaken with the custodians appointed by the Depositary.

At the balance sheet date, there are no securities in the portfolio of investments subject to a repurchase agreement.

#### (ii) Leverage

The leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the commitment approach) divided by the net asset value.

There have been no leveraging arrangements in the year.

## Notes to the financial statements (continued)

for the year ended 30 June 2025

### 15. Risk management policies (continued)

#### f Derivatives (continued)

#### (iii) Global exposure

Global exposure is a measure designed to limit the leverage generated by a fund through the use of financial derivative instruments, including derivatives with embedded assets.

At the balance sheet date the global exposure is as follows:

	Gross exposure value £	% of the total net asset value
Investment		
Forward Currency Contracts		
Value of short position - euro	463,900	1.08%
Value of short position - Japanese yen	170,883	0.40%
Value of short position - US dollar	3,230,296	7.49%

There have been no collateral arrangements in the year.

## Distribution table

for the year ended 30 June 2025

Interim distributions in pence per share

Group 1 - Shares purchased before 1 July 2024

Group 2 - Shares purchased 1 July 2024 to 31 December 2024

	Net revenue	Equalisation	Total distributions 28 February 2025	Total distributions 29 February 2024
Income				
Group 1	12.388	-	12.388	12.919
Group 2	12.388	-	12.388	12.919
Accumulation				
Group 1	14.955	-	14.955	15.014
Group 2	14.955	-	14.955	15.014

Final distributions in pence per share

Group 1 - Shares purchased before 1 January 2025

Group 2 - Shares purchased 1 January 2025 to 30 June 2025

	Net revenue	Equalisation	Total distributions 31 August 2025	Total distributions 31 August 2024
Income				
Group 1	21.405	-	21.405	20.523
Group 2	21.405	-	21.405	20.523
Accumulation				
Group 1	25.908	-	25.908	24.564
Group 2	25.908	-	25.908	24.564

Accumulation distributions

Holders of accumulation shares should add the distributions received thereon to the cost of the shares for capital gains tax purposes.



## Remuneration

### Remuneration code disclosure

The remuneration committee is responsible for setting the remuneration policy for all partners, directors and employees within Evelyn Partners Group Limited ('the Group'), including individuals designated as Material Risk Takers (MRTs) under the Remuneration Code. The remuneration policy is designed to be compliant with the Code and provides a framework to attract, retain, motivate and reward partners, directors and employees. The overall policy is designed to promote the long-term success of the group and to support prudent risk management, with particular attention to conduct risk.

### Remuneration committee

The remuneration committee report contained in the Group Report and Financial Statements for the year ended 31 December 2024 includes details on the remuneration policy. The remuneration committee comprises three independent non-executive directors<sup>1</sup> and is governed by formal terms of reference, which are reviewed and agreed by the board. The committee met seven times during 2024.

### Remuneration policy

The main principles of the remuneration policy are:

- aligns the interests of employees with those of our clients/customers and investors;
- is compliant with relevant regulation and considers market best practice;
- is pragmatic, flexible, economic, and considers the commercial objectives of the business;
- is competitive and helps the Group attract and retain talented people;
- encourages behaviours consistent with the Group's values, ambitions, strategy, and risk appetite (including environmental, social and governance risk factors);
- supports the delivery of fair outcomes for our clients; and
- is clear, fair, free from bias and based on objective criteria that avoids discrimination (including gender).

### Remuneration systems

Fixed pay is determined by considering an employee's role and responsibilities, external market information, and internal budgets/affordability. The remuneration committee considers all of these factors when determining appropriate salary/fixed profit share budgets as part of the annual pay review, and by exception any increases outside of the annual pay review.

Evelyn Partners operates Discretionary Incentive Plans (DIP) – these are discretionary bonus schemes that enable employees to be recognised for their hard work and commitment, through linking reward to the performance and outcomes, including client outcomes, of both the business and the individual employee.

Bonus awards under a DIP are made in cash and/or equity awards and are driven by the following factors:

- The financial performance (primarily EBITDA performance) of the business;
- An employee's individual performance in relation to the Group's key performance indicators and financial outcomes;
- An employee's individual performance in relation to behaviours which are in line with the Group's values, which includes client outcomes and regulatory compliance; and
- A risk and control review, which includes client outcomes.

<sup>1</sup> Please note that the data provided for the independent non-executive directors is as at 31 December 2024. The data provided is for independent non-executive directors only.

## Remuneration (continued)

### Aggregate quantitative information

The total amount of remuneration paid by Evelyn Partners Fund Solutions Limited ('EPFL') is nil as EPFL has no employees. However, a number of employees have remuneration costs recharged to EPFL and the annualised remuneration for these 70 employees is £3.58 million of which £3.19 million is fixed remuneration. This is based on the salary and benefits for those identified as working in EPFL as at 31 December 2024. Any variable remuneration is awarded for the year ended 31 December 2024. This information excludes any senior management or other Material Risk Takers (MRTs) whose remuneration information is detailed below.

Evelyn Partners Group Limited reviews its MRTs at least annually. These individuals are employed by and provide services to other companies in the Group. It is difficult to apportion remuneration for these individuals in respect of their duties to EPFL. For this reason, the aggregate total remuneration awarded for the year 31 December 2024 for senior management and other MRTs detailed below has not been apportioned.

Table to show the aggregate remuneration split by		For the period 1 January 2024 to 31 December 2024				
Senior Management and other MRTs for EPFL		Fixed	Variable	Variable	Total	No. MRTs
		£'000	Cash	Equity	£'000	
			£'000	£'000		
Senior Management		3,448	2,470	-	5,918	15
Other MRTs		477	338	-	815	5
Total		3,925	2,808	-	6,733	20

### Investment Managers

The ACD delegates the management of the Company's portfolio of assets to Adam & Company Investment Management Limited, Goldman Sachs International and London & Capital Asset Management Limited and pays the Investment Managers, out of the annual management charge, a monthly fee calculated on the total value of the portfolio of investments at the month end. The Investment Managers are compliant with the Capital Requirements Directive regarding remuneration and therefore their staff are covered by remuneration regulatory requirements.

## Further information

### Distributions and reporting dates

Where net revenue is available it will be distributed/allocated semi-annually on 31 August (final) and the last business day in February (interim). In the event of a distribution, shareholders will receive a tax voucher.

XD dates:	1 July	final
	1 January	interim
Reporting dates:	30 June	annual
	31 December	interim

### Buying and selling shares

The property of the Fund is valued at 5pm each Friday which is a business day and the last business day of each month or such other day as the ACD may determine to avoid excessive periods between valuations that would otherwise be caused by the incidence of non-business days and with the exception of Christmas Eve and New Year's Eve or a bank holiday in England and Wales, or the last business day prior to those days annually, where the valuation may be carried out at a time agreed in advance between the ACD and the Depositary. Share dealing is on a forward basis i.e. investors can buy and sell shares at the next valuation point following receipt of the order.

Prices of shares and the estimated yield of the share types are published on the following website: [www.trustnet.com](http://www.trustnet.com) or may be obtained by calling 0141 483 9701.

### Benchmark

Shareholders may compare the performance of the Company against the IA Mixed Investment 40-85% Shares sector.

Comparison of the Company's performance against this benchmark will give shareholders an indication of how the Company is performing against other similar funds in this peer group sector.

The ACD has selected this comparator benchmark as the ACD believes it best reflects the asset allocation of the Company.

The comparative benchmark and Fund's performance<sup>^</sup> (based on cumulative returns and bid-prices, Accumulation shares) over the period from 1 July 2024 to 30 June 2025, is as follows:

IA Mixed Investment 40-85% Shares sector	+5.55%
The Aurinko Fund Accumulation shares	+3.22%

<sup>^</sup> Source: FE fundinfo.

## Appointments

### ACD and Registered office

Tutman Fund Solutions Limited (previously Evelyn Partners Fund Solutions Limited)  
Exchange Building  
St John's Street  
Chichester  
West Sussex PO19 1UP  
Authorised and regulated by the Financial Conduct Authority

### Administrator and Registrar

Tutman Fund Solutions Limited (previously Evelyn Partners Fund Solutions Limited)  
177 Bothwell Street  
Glasgow G2 7ER  
Telephone 0141 483 9700 (Dealing)  
0141 483 9701 (Enquiries)  
Authorised and regulated by the Financial Conduct Authority

### Directors of the ACD

Andrew Baddeley - resigned 31 March 2025  
Brian McLean - resigned 30 June 2025  
Mayank Prakash - resigned 30 April 2025  
Neil Coxhead  
Stephen Mugford - appointed 1 July 2025  
Nicola Palios - appointed 1 July 2025

### Independent Non-Executive Directors of the ACD

Dean Buckley - resigned 30 June 2025  
Linda Robinson  
Victoria Muir - resigned 30 June 2025  
Sally Macdonald  
Carol Lawson - appointed 30 June 2025  
Caroline Willson - appointed 30 June 2025

### Non-Executive Directors of the ACD

Guy Swarbreck - resigned 31 March 2025

### Investment Managers

Adam & Company Investment Management Limited  
40 Princes Street  
Edinburgh, EH2 2BY  
Authorised and regulated by the Financial Conduct Authority

### Goldman Sachs International

Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

### London & Capital Asset Management Limited

Two Fitzroy Place  
8 Mortimer Street  
London W1T 3JJ  
Authorised and regulated by the Financial Conduct Authority

## Appointments (continued)

### Depository

NatWest Trustee and Depository Services Limited

House A, Floor 0

Gogarburn

175 Glasgow Road

Edinburgh EH12 1HQ

Authorised and regulated by the Financial Conduct Authority

### Auditor

Johnston Carmichael LLP

Bishop's Court

29 Albyn Place

Aberdeen AB10 1YL