

VT HALO FUNDS ICVC
(Sub-fund VT Halo Global Asian Consumer Fund)

Annual Report and Financial Statements
For the year ended 30 June 2023

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COMPANY OVERVIEW

Type of Company: VT Halo Funds ICVC (the Company) is an investment company with variable capital under regulation 12 (Authorisation) of the Open-Ended Investment Companies (OEIC) Regulations 2001, authorised by the FCA pursuant to an authorisation order dated 19 September 2014. The Company is incorporated under registration number IC001018. The Company is a UCITS scheme and is an umbrella company comprising of one Sub-fund, VT Halo Global Asian Consumer Fund. Each Sub-fund would be a UCITS scheme if it had a separate authorisation order. You, as a shareholder, are not liable for the debts of the company.

STATEMENT OF THE AUTHORISED FUND MANAGER'S (AFM's) RESPONSIBILITIES

The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Fund Manager to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Company at the end of the financial year and its net revenue and net capital losses for the year. In preparing these financial statements the Authorised Fund Manager is required to:

- > comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements;
- > select suitable accounting policies and then apply them consistently;
- > make judgements and estimates that are reasonable and prudent;
- > prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Fund Manager is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the Instrument of Incorporation, and the Prospectus. The Authorised Fund Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTOR'S STATEMENT

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Scheme's Sourcebook, we hereby certify the annual report.

David Fraser FCCA

David E Smith CA

Valu-Trac Investment Management Limited
Authorised Fund Manager

Date

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS OF VT HALO FUNDS ICVC

For the year ended 30 June 2023

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"), and the Company's 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 in the Company is 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 income is applied in accordance with the Regulations; and
- > the instructions of the Authorised Fund Manager ("the AFM") 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 AFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and application of the Company's income 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
01 July 2023

Opinion

We have audited the financial statements of VT Halo Funds ICVC ("the Company") for the year ended 30 June 2023 which comprise the Statement of Total Return, Statement of Changes in Net Assets Attributable to Shareholders, Balance Sheet, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- > give a true and fair view of the financial position of the Company at 30 June 2023 and of the net revenue and the net capital losses on the scheme property of the Company for the year then ended; and
- > have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook 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 described further in the auditor's 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 Fund Manager'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 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Authorised Fund Manager 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 Fund Manager 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 the report of moving to a more organised format, which makes sense

We have nothing to report in this regard.

Opinion on Other Matters Prescribed by the COLL Regulations

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 Fund Manager for the year is consistent with the financial statements.

Responsibilities of the Authorised Fund Manager

As explained more fully in the Authorised Fund Manager's Responsibilities Statement set out on page 2, the Authorised Fund Manager 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 controls as the Authorised Fund Manager 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 Fund Manager 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 Fund Manager either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Extent to which the audit is 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 specific procedures for this engagement and the extent to which these 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, focusing on provisions of those laws and regulations 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 Collective Investment Schemes Sourcebook; 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 Fund Manager. We corroborated these enquiries through our review of any relevant correspondence with regulatory bodies and the Company's breaches register.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Fund Manager was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Fund Manager 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.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

Extent to which the audit is considered capable of detecting irregularities, including fraud (Continued)

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:

- > 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 Fund Manager 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 are to 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 Collective Investment Schemes sourcebook ("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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin

Date

SUB-FUND OVERVIEW

Name of Sub-fund	VT Halo Global Asian Consumer Fund
Size of Sub-fund	£78,859,760
Launch date	03 November 2014
Sub-fund objective and policy	<p>The investment objective of the VT Halo Global Asian Consumer Fund is to achieve annualised total return of 7 – 11% (after deduction of fees) over 7 years (the length of a typical economic cycle). Capital is in fact at risk and there is no guarantee that a positive return will be achieved over that or any period.</p> <p>The Sub-fund aims to meet its investment objective by investing primarily (at least 70%) in a portfolio of stocks quoted across the globe that have at least 35% of their revenues or profits coming from emerging markets, with the majority (at least 50%) of the emerging market exposure coming from Asia.</p> <p>The remainder of the Sub-fund's portfolio may be invested in other collective investment schemes (including those managed and/or advised by the ACD and Investment Manager), shares, bonds, money market instruments, deposits, cash and near cash.</p> <p>Derivatives (that is sophisticated investment instruments linked to the rise and fall of the price of other assets) may be used for efficient portfolio management purposes. It is expected that use of derivatives will be limited.</p> <p>There will be no particular emphasis on any industry or economic sector.</p> <p>No more than 10% of the Sub-fund's assets can be invested in aggregate in units of other UCITS (as defined in the FCA Handbook) or other collective investment undertakings.</p>
Benchmark	The performance of the Sub-fund can be measured by considering whether the target of achieving annualised total return of 7 – 11% (after deduction of fees) over a 7 year period (the length of a typical economic cycle is achieved).
Authorised Fund Manager (AFM)	Valu-Trac Investment Management Limited.
Ex-distribution date	30 June
Distribution date	31 August
Individual Savings Account (ISA)	The Company is a qualifying investment for inclusion in an ISA.
Minimum investment*	
Lump sum subscription:	Class B = £100 (or US\$ or € equivalent) Class C = £5,000,000 (or US\$ or € equivalent)
Top-up:	Class B = £100 (or US\$ or € equivalent) Class C = £100 (or US\$ or € equivalent)
Holding:	Class B = £100 (or US\$ or € equivalent) Class C = £5,000,000 (or US\$ or € equivalent)^
Redemption:	N/A (provided minimum holding is maintained)
Switching:	N/A (provided minimum holding is maintained)

*The AFM may waive the minimum levels at its discretion.

^ The lump sum subscription limit for Class C shares was increased with effect from 4 June 2019. The lump sum subscription for any Shareholders who held Class C shares as at this date remains £1,000,000.

SUB-FUND OVERVIEW (Continued)

Annual management charges to 04 June 2023

The annual management charge is comprised of a fixed element which is retained by the AFM for its own account and a variable element which is paid by the AFM to the Investment Manager.

The fixed element, which is equal to £17,500 per annum*, is taken from Class A, Class B and Class C Shares pro-rata to their Net Asset Value.

The variable element in respect of the Class A Shares is equal to 1.15% per annum of the Net Asset Value of the Class A Shares.

The variable element in respect of the Class B Shares is equal to 0.85% per annum of the Net Asset Value of the Class B Shares.

The variable element in respect of the Class C Shares is equal to 0.65% per annum of the Net Asset Value of the Class C Shares.

*The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2018). In the event of negative inflation, the fixed element of the fee will remain unchanged.

Annual management charges from 05 June 2023

On such part of the NAV that is less than or equal to £150 million	Class B: 0.95% Class C: 0.75%
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On such part of the NAV that is more than £150 million but is less than or equal to £250 million	Class B: 0.90% Class C: 0.70%
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On such part of the NAV that exceeds £250 million	Class B: 0.85% Class C: 0.65%
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Changes to the Sub-fund

On 05 June 2023 the Class A shares were mandatorily converted to Class B shares. There was also a minor change in the investment objectives and policy wording to that above. These changes are not expected to result in any change to the way the Sub-fund operates or the investments it makes.

Market Overview

The Fund's Sterling B accumulation share class fell 8.7% for the 12-month period to 30th June 2023. The Fund has been meeting its objective of 7-11% returns after fees over a 7-year period up until last year, but with the fall in the unit price this year it has struggled to maintain it. The factors behind the fall are not down to stock selection, which continues to be the main driver of the returns, but more to do with geopolitics, leading to a lack of interest by international investors and the subsequent derating of shares in Asia in the last 12 months. This has been combined with Sterling appreciation against Asian currencies, which has had a negative translation impact for Sterling unit holders.

China as a market has certainly been a disappointment this year. We were well positioned for the opening up after Covid, which happened last November. The market rallied strongly between November and January as hopes were raised of a strong "V shaped" recovery in consumption post the end of the lockdown. Covid ripped through the population in December 2022 and January 2023 and then consumption started to rebound after Chinese New Year. The data after Chinese New Year though was not as strong as expected and the market then sold off. Although the Chinese have a large amount of savings the consumer has been reluctant to spend a meaningful amount, and this is down to scarring from many lockdowns and lack of confidence in the economy. We are seeing as in other countries a willingness to spend on experiences rather than physical goods and we maintain a large exposure to tourism, with holdings in Tongcheng, Trip.com and Samsonite, as well as Minor International in Thailand. We have seen meaningful upgrades to the earnings outlook for these stocks in the last 3 months, but the shares have not reflected these, much to our frustration.

When we look at the underlying economies in Asia, namely China, India, Indonesia, Philippines, Thailand and Vietnam, all of them continue to produce growth that is far in excess of what is currently being experienced in Europe and the US and the vast majority of them demonstrate little correlation to growth rates in Europe and the US. So as Europe and the US have raised interest rates in 2022 and 2023, these Asian countries have done the same, mainly to ensure their interest rates remain above those in the US to help currency stability and also control inflation. The rise in inflation though has not been anything like the magnitude we have witnessed in the US and Europe and has not required extremely high interests relative to history to bring it under control. Indeed, today most of the countries interest rates today are above the inflation rate and we expect them to start cutting by the end of this calendar year. These countries did not embark on furlough schemes, quantitative easing, or large fiscal expansion to combat Covid and so as a result, the excess money sloshing around has been far lower. The population suffered unemployment and so as they opened up and the unemployed were reemployed, demand for goods has not been above the long-term trend as is the case in the US. As they did not experience supply constraints, we have not seen large wage increases and hence they do not have the same inflationary dynamics as in the West.

GDP growth this year is expected to be in the range of 5-6% for these emerging Asian countries and we expect similar growth rates next year as well, which should lead to robust consumption growth and respectable earnings growth for the companies we own.

Key purchases and sales**01 July 2022 to 31 December 2022**

With the above comments in mind, we started to reposition the portfolio to play a recovery in consumer spending in China as it opened up. So, we sold China Everbright International as it was not exhibiting the pricing power we come to expect from our holdings, and it was not a direct beneficiary of China reopening. The proceeds of the sale were used to purchase a holding in L'Occitane as it seeks to expand its presence in China, and they will see its key duty-free division benefit enormously from Chinese travelling overseas again. The valuation is also significantly cheaper than its cosmetic peers overseas due to being listed in Hong Kong and we expect this discount to narrow as investors return to the Hong Kong market. We also added to Dada Nexus, a platform for local on demand retail and delivery in China, using the proceeds from the sale of Weimob, a software company which designs and builds front and back-end ecommerce sites. The company was struggling due to its customers curtailing their investment in their own websites. Sticking to China we also added a new position in Trip.com, the online travel agent which predominantly serves consumers in Tier 1 and 2 cities and businesses travellers. We believe it is principally these customers where you will witness the strongest rebound in travel over the next 12-18 months. As pent-up demand is significant and these consumers have the largest potential budgets, given they have been the biggest savers during the 3 years of closed borders in China. We also added to names such as Alibaba, Tencent, JD.com, Anta and China Education as they will all be a beneficiary of the opening up and more pro-growth policies that the Government has embarked on.

These additions have been funded from cash and by trimming our holdings in some of our Indian stocks, such as Varun Beverages the Pepsi bottler, KEI Industries the household wire company and Phoenix Mills the shopping mall operator. We also sold Allhome, the DIY retailer in the Philippines as much to our surprise, as the economy recovered from lockdown its sales fell and it has seen significant earnings downgrades. The proceeds from the sale were used to add to our other holdings in the Philippines, such as Jollibee the fast-food restaurant operator and Universal Robina, a snack food and beverage company with operations throughout ASEAN.

01 January 2023 to 30 June 2023

In the most recent 6 months we have sold JD.com. The change of view was down to the increased competition in the industry, with PDD Holdings Inc stepping up its investment to target core JD.com consumers, namely those based in Tier 1 and Tier 2 cities. With this competitive threat, we took the view this would remain an overhang for the shares and so we sold our holding. We also sold East Money due to regulatory concerns, with rumours the Chinese government would limit the amount of money mutual fund companies could charge as a management fee and subsequent reduced the trail paid to the investment platform companies like East Money. This rumour has now been confirmed, with a policy announcement and the fees East Money will earn will be reduced by a third. We also sold Estee Lauder after its second profit warning due to excess inventory in the Asian duty-free sector, which is the most profitable division for the company. It appears to be stock specific rather than an industry wide problem as other players are not facing the same issue. Given its inability to control its inventory and the very high PE it is trading at, we sold the stock and added more to L'Occitane who have indicated their travel retail business is performing well. Lastly, we switched our holding in Prestige Estates, the residential property developer to our existing holding in Phoenix Mills, which is demonstrating very good execution of opening new malls and strengthening its development pipeline.

New purchases in the six-month period have been Samsonite, as we anticipate strong trading from Asia, which is its largest geographic market and also its highest margin business. Since the purchase we have duly seen upgrades to earnings for this year and next, both on higher revenues and as we expected raising margin guidance as sales in Asia accelerate. We also added to India, buying PVR Inox, the no.1 cinema chain, with the share price having fallen as the current movie slate has been poor, so resulting in low foot traffic. We take a view this is just a short-term hiccup and structurally cinema trips to multiplexes in India are still growing as it is one of a few entertainment options for the middle class.

Outlook

With GDP growth for the countries we invest in continuing to be in the range of 5-6% over the next 12 months and in some cases accelerating from current rates, together with rising or high consumer confidence, we expect the rate of consumption growth to be maintained at similar levels. The unit price of the Fund in Sterling terms has fallen over the last 12 months due to a PE derating and strength of Sterling against local Asian currencies. We believe both are unwarranted and expect these trends to reverse over the following 12 months.

Halo Global Asset Management Ltd
Investment Manager to the Fund
01 August 2023

PERFORMANCE RECORD

Financial Highlights

Class A Net Accumulation GBP	Period to 05 June 2023^	Year ended 30 June 2022	Year ended 30 June 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	148.6650	162.8864	128.2826
Return before operating charges	(7.7481)	(12.1029)	36.5983
Operating charges (note 1)	(1.8227)	(2.1185)	(1.9945)
Return after operating charges*	(9.5708)	(14.2214)	34.6038
Closing net asset value per share	139.0942	148.6650	162.8864
Retained distribution	-	1.6846	1.4384
*after direct transaction costs of:	0.1870	0.3116	0.2621
Performance			
Return after charges	(6.44%)	(8.73%)	26.97%
Other information			
Closing net asset value	-	£544,544	£488,986
Closing number of shares	-	366,289	300,200
Operating charges (note 2)	1.36%	1.36%	1.37%
Direct transaction costs	0.13%	0.20%	0.18%
Prices			
Highest share price	157.8548	170.0365	169.2862
Lowest share price	125.6590	129.7724	125.1158

^Share class closed on 05 June 2023 following mandatory conversion to Class B Net Accumulation GBP.

Class B Net Accumulation GBP	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	169.7742	185.4597	145.6230
Return before operating charges	(13.0205)	(13.8028)	41.6080
Operating charges (note 1)	(1.7215)	(1.8827)	(1.7713)
Return after operating charges*	(14.7420)	(15.6855)	39.8367
Closing net asset value per share	155.0322	169.7742	185.4597
Retained distribution	2.2557	1.9182	1.6547
*after direct transaction costs of:	0.2111	0.3552	0.2980
Performance			
Return after charges	(8.68%)	(8.46%)	27.36%
Other information			
Closing net asset value	£11,283,212	£10,728,938	£12,816,391
Closing number of shares	7,277,978	6,319,533	6,910,607
Operating charges (note 2)	1.06%	1.06%	1.07%
Direct transaction costs	0.13%	0.20%	0.18%
Prices			
Highest share price	180.5827	193.8241	192.5353
Lowest share price	143.6476	148.0717	142.0644

PERFORMANCE RECORD (Continued)

Class B Net Accumulation USD	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2021
Changes in net assets per share	USc	USc	USc
Opening net asset value per share	129.5738	162.1854	112.7157
Return before operating charges	(4.5788)	(31.0653)	50.9404
Operating charges (note 1)	(1.3421)	(1.5463)	(1.4707)
Return after operating charges*	(5.9209)	(32.6116)	49.4697
Closing net asset value per share	123.6529	129.5738	162.1854
Retained distribution	1.7992	2.4373	1.3845
*after direct transaction costs of:	0.1646	0.2918	0.2474
Performance			
Return after charges	(4.57%)	(20.11%)	43.89%
Other information			
Closing net asset value	\$1,883,076	\$2,395,313	\$2,551,747
Closing number of shares	1,522,872	1,848,609	1,573,352
Operating charges (note 2)	1.06%	1.06%	1.07%
Direct transaction costs	0.13%	0.20%	0.18%
Prices			
Highest share price	140.7914	164.3539	168.3609
Lowest share price	103.9235	120.4207	113.4040

Class B Net Income GBP	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2021
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	152.1867	168.1142	133.1963
Return before operating charges	(11.6985)	(12.4874)	38.0262
Operating charges (note 1)	(1.5323)	(1.6976)	(1.6120)
Return after operating charges*	(13.2308)	(14.1850)	36.4142
Distribution on income shares	(2.0220)	(1.7425)	(1.4963)
Closing net asset value per share	136.9339	152.1867	168.1142
*after direct transaction costs of:	0.1879	0.3203	0.2712
Performance			
Return after charges	(8.69%)	(8.44%)	27.34%
Other information			
Closing net asset value	£3,012,448	£1,941,867	£2,050,268
Closing number of shares	2,199,928	1,275,977	1,219,569
Operating charges (note 2)	1.06%	1.06%	1.07%
Direct transaction costs	0.13%	0.20%	0.18%
Prices			
Highest share price	161.8737	175.7291	176.1049
Lowest share price	128.7652	134.2480	129.9414

PERFORMANCE RECORD (Continued)

Class C Net Accumulation GBP	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	172.4632	188.0159	147.3355
Return before operating charges	(13.2393)	(14.0026)	42.1392
Operating charges (note 1)	(1.4201)	(1.5501)	(1.4588)
Return after operating charges*	(14.6594)	(15.5527)	40.6804
Closing net asset value per share	157.8038	172.4632	188.0159
Retained distribution	2.2942	1.9505	1.6573
*after direct transaction costs of:	0.2147	0.3605	0.3018
Performance			
Return after charges	(8.50%)	(8.27%)	27.61%
Other information			
Closing net asset value	£19,422,430	£20,754,639	£18,236,719
Closing number of shares	12,307,958	12,034,241	9,699,562
Operating charges (note 2)	0.86%	0.86%	0.87%
Direct transaction costs	0.13%	0.20%	0.18%
Prices			
Highest share price	183.6556	196.6466	195.0466
Lowest share price	146.0216	150.3257	143.7594

Class C Net Accumulation USD	Year ended 30 June 2023	Year ended 30 June 2022	Period from 23 April 2021 to 30 June 2021[^]
Changes in net assets per share	USc	USc	USc
Opening net asset value per share	84.1252	104.9897	100.0000
Return before operating charges	(3.0201)	(20.0513)	5.1383
Operating charges (note 1)	(0.7074)	(0.8132)	(0.1486)
Return after operating charges*	(3.7275)	(20.8645)	4.9897
Closing net asset value per share	80.3977	84.1252	104.9897
Retained distribution	1.1689	0.5075	0.9211
*after direct transaction costs of:	0.1069	0.1891	0.1845
Performance			
Return after charges	(4.43%)	(19.87%)	4.99%
Other information			
Closing net asset value	\$4,053,138	\$4,241,053	\$5,292,907
Closing number of shares	5,041,359	5,041,359	5,041,359
Operating charges (note 2)	0.86%	0.86%	0.87%
Direct transaction costs	0.13%	0.20%	0.18%
Prices			
Highest share price	91.5142	106.5741	105.4793
Lowest share price	67.5153	78.1616	97.2542

[^]Share class launched 23 April 2021

PERFORMANCE RECORD (Continued)

Class C Net Income GBP		Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2021
Changes in net assets per share	GBP			
Opening net asset value per share		154.5124	170.3464	134.6943
Return before operating charges		(11.8864)	(12.6695)	38.4940
Operating charges (note 1)		(1.2634)	(1.3969)	(1.3269)
Return after operating charges*		(13.1498)	(14.0664)	37.1671
Distribution on income shares		(2.0554)	(1.7676)	(1.5150)
Closing net asset value per share		139.3072	154.5124	170.3464
*after direct transaction costs of:		0.1910	0.3249	0.2745
Performance				
Return after charges		(8.51%)	(8.26%)	27.59%
Other information				
Closing net asset value	£41,268,682	£40,287,253	£32,352,133	
Closing number of shares	29,624,229	26,073,799	18,991,971	
Operating charges (note 2)	0.86%	0.86%	0.87%	
Direct transaction costs	0.13%	0.20%	0.18%	
Prices				
Highest share price	164.5380	178.1922	178.3118	
Lowest share price	130.8215	136.2183	131.4251	

Class B Net Income USD		For the period 01 July 2021 to 27 September 2021[^]	Year ended 30 June 2021
Changes in net assets per share	USc		
Opening net asset value per share		150.8127	105.7589
Return before operating charges		(7.0518)	47.7688
Operating charges (note 1)		(1.5530)	(1.3727)
Return after operating charges*		(8.6048)	46.3962
Distribution on income shares		-	(1.3424)
Closing net asset value per share		142.2079	150.8127
*after direct transaction costs of:		0.2930	0.2309
Performance			
Return after charges		(5.71%)	43.52%
Other information			
Closing net asset value	-	\$175,393	
Closing number of shares	-	116,298	
Operating charges (note 2)	1.06%	1.07%	
Direct transaction costs	0.20%	0.18%	
Prices			
Highest share price		150.4734	157.9697
Lowest share price		134.4805	106.4047

[^] On the 27 September 2021, the share class was fully redeemed

PERFORMANCE RECORD (Continued)

		For the period 30 November 2021 to 08 December 2021 ^
Class B Net Income USD		
Changes in net assets per share		USc
Opening net asset value per share		100.0000
Return before operating charges		0.1396
Operating charges (note 1)		(0.0262)
Return after operating charges*		0.1134
Distribution on income shares		-
Closing net asset value per share		100.1134
*after direct transaction costs of:		0.2001
Performance		
Return after charges		0.11%
Other information		
Closing net asset value		-
Closing number of shares		-
Operating charges (note 2)		1.06%
Direct transaction costs		0.20%
Prices		
Highest share price		100.1134
Lowest share price		97.1710

^ On the 30 November 2021 the share class became active but was fully redeemed again on 08 December 2021 and has remained inactive since this date.

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 June 2022: ranked 6). The Sub-fund is ranked "6" because weekly historical performance data indicates that it has experienced significant rises and falls in market prices historically.

PORTFOLIO STATEMENT

As at 30 June 2023

Holding

Equities (30.06.2022: 92.82%)		Value £	% of net assets
414,000	AIA Group Ltd	3,304,329	4.18%
332,996	Alibaba Group Holding Ltd (HKD)	2,728,359	3.45%
296,800	ANTA Sports Products Ltd	2,397,351	3.04%
2,846,700	Bank Central Asia Tbk PT	1,369,887	1.74%
8,675,234	Bank Rakyat Indonesia (Persero) Tbk PT	2,481,939	3.15%
2,774,300	Bloomberry Resorts Corp	440,470	0.56%
304,800	BOC Aviation Ltd	1,943,742	2.46%
2,193,450	China Education Group Holdings Ltd	1,347,881	1.71%
190,800	Dada Nexus Ltd	799,537	1.01%
707,250	FPT Digital Retail JSC	1,697,596	2.15%
281,700	HDFC Bank Ltd	4,610,859	5.85%
460,000	ICICI Bank Ltd	4,138,860	5.25%
1,136,500	JNBY Design Ltd	955,259	1.21%
441,000	Jollibee Foods Corp	1,508,827	1.91%
86,950	KEI Industries Ltd	1,936,362	2.46%
1,043,500	L Occitane International SA	1,983,718	2.52%
2,193,700	Mega Lifesciences PCL - f	1,836,303	2.33%
79,630	Meituan Dianping	981,871	1.25%
1,817,000	Minor International PCL	1,247,199	1.58%
22,082,000	Mitra Adiperkasa Tbk PT	1,962,224	2.49%
2,408,166	Nagacorp Ltd	1,003,559	1.27%
72,765	Nexon Co Ltd	1,090,092	1.38%
12,580	Nike Inc	1,127,919	1.43%
126,493	Noah Holdings Ltd	1,401,164	1.78%
13,437	Pernod Ricard SA	2,333,731	2.96%
226,700	Phoenix Mills Ltd	3,402,475	4.31%
1,035,777	Phu Nhuan Jewelry JSC	2,576,432	3.27%
91,324	Proya Cosmetics Co Ltd	1,116,124	1.42%
85,750	PVR INOX Ltd	1,133,351	1.44%
8,192,200	Robinsons Land Corp	1,668,593	2.12%
1,118,200	Samsonite International SA	2,493,551	3.16%
18,330	Sea Ltd	824,340	1.05%
135,000	Sound Global Ltd^	-	0.00%
93,300	Tencent Holdings Ltd	3,121,782	3.96%
2,619,100	Tian Lun Gas Holdings Ltd	1,435,021	1.82%
1,378,200	Tongcheng-Elong Holdings Ltd	2,277,889	2.89%
64,400	Trip.com Group Ltd	1,768,807	2.24%
162,000	Tsingtao Brewery Co Ltd	1,162,227	1.47%
631,700	Universal Robina Corp	1,242,377	1.58%
238,000	Varun Beverages Ltd	1,847,941	2.34%
555,492	Viet Nam International Commercial Joint Stock Bank	365,922	0.46%
2,452,841	Vietnam Technological And Commercial Joint Stock Bank	2,660,064	3.37%
2,541,125	Vincom Retail JSC	2,283,018	2.90%
		78,008,952	98.92%
Portfolio of Investments (30.06.2022: 92.82%)		78,008,952	98.92%
Net other assets (30.06.2022: 7.34%)		850,808	1.08%
		78,859,760	100.00%

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.16%).

^delisted security

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the year (note 14)	30,816,784
Samsonite International SA	2,729,189
L Occitane International SA	2,596,660
Trip.com Group Ltd	1,846,167
Tencent Holdings Ltd	1,563,846
Alibaba Group Holding Ltd (HKD)	1,468,196
Phoenix Mills Ltd	1,415,229
BOC Aviation Ltd	1,347,460
PVR INOX Ltd	1,221,367
ANTA Sports Products Ltd	997,964
FPT Digital Retail JSC	896,004
Various other purchases	14,734,702
	£
Total sales for the year (note 14)	20,052,110
JD.COM Inc	2,286,188
East Money Information Co Ltd	1,860,824
Varun Beverages Ltd	1,582,643
China Everbright International Ltd	1,456,896
Estee Lauder Companies Inc	1,420,837
Prestige Estates Projects Ltd	1,252,719
Alibaba Group Holding Ltd (HKD)	965,966
Mobile World Investment Corp	910,314
Mitra Adiperkasa Tbk PT	884,744
Alliance Global Group Inc	869,887
Various other sales	6,561,092

The above transactions represent the top 10 sales and purchases during the year.

STATEMENT OF TOTAL RETURN

For the year ended 30 June		2023		2022	
	Notes	£	£	£	£
Income					
Net capital (losses)	2		(7,565,990)		(5,416,120)
Revenue	3	1,241,521		876,005	
Expenses	4	(766,904)		(633,657)	
Interest payable and similar charges	6	(7,458)		(9,076)	
Net revenue before taxation		467,159		233,272	
Taxation	5	(1,026,357)		(70,053)	
Net (expenses)/revenue after taxation			(559,198)		163,219
Total return before distributions			(8,125,188)		(5,252,901)
Finance costs: distributions	6		(1,146,206)		(796,462)
Changes in net assets attributable to shareholders from investment activities			(9,271,394)		(6,049,363)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June		2023	2022
		£	£
Opening net assets attributable to shareholders		79,607,853	71,607,962
Amounts receivable on creation of shares		14,701,521	19,429,589
Amounts payable on cancellation of shares		(6,718,345)	(5,856,672)
Dividends retained		514,797	420,458
Dilution levies		25,328	55,879
Changes in net assets attributable to shareholders from investment activities (see above)		(9,271,394)	(6,049,363)
Closing net assets attributable to shareholders		78,859,760	79,607,853

BALANCE SHEET

As at	30.06.2023		30.06.2022	
	£	£	£	£
FIXED ASSETS				
Investment assets		78,008,952		73,764,750
CURRENT ASSETS				
Debtors	7	775,637		6,110,709
Cash and bank balances	8	<u>1,695,227</u>		<u>2,938,476</u>
Total current assets		<u>2,470,864</u>		<u>9,049,185</u>
Total assets		80,479,816		82,813,935
CURRENT LIABILITIES				
Creditors	9	(891,095)		(1,815,889)
Bank overdrafts	8	(75,583)		(907,075)
Distribution payable to income shareholders		<u>(653,378)</u>		<u>(483,118)</u>
Total current liabilities		<u>(1,620,056)</u>		<u>(3,206,082)</u>
Net assets attributable to shareholders		<u>78,859,760</u>		<u>79,607,853</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior year, are set out below:

- (a) The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.
- (b) There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The AFM believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.
- (c) All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis. All expenses are then reallocated to capital, net of any tax effect for distribution purposes.
- (d) Distributions on equities are recognised when the security is quoted ex-dividend. Interest on deposits is accounted for on an accruals basis.
- (e) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.
- (f) Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case. Where the receipt of a special dividend results in a significant reduction in the capital value or where the distribution arises from an underlying capital event such as a merger or disposal these would typically be deemed as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividend would typically be recognised as revenue. Where special dividends are treated as revenue, they are included in the amount available for distribution. The tax accounting treatment follows the principal amount.
- (g) The investments are valued at closing 12 noon prices on the balance sheet date. If closing prices are not available, the latest available prices are used. Investments held long are valued at closing bid price and investment held short are valued at the closing offer price. Unlisted or suspended investments are valued by the AFM taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.
- (h) All transactions in foreign currencies are converted into Sterling at the rate of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 30 June 2023.
- (i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the AFM considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted. A deferred tax liability arises on the capital gains tax on the unrealised gains on Indian investments, which is charged to capital. The deferred tax liability has been calculated using the 10% Indian capital gains tax rate, as the Sub-fund has a long term investment focus and it is likely the Indian investments will be held for longer than 12 months.

- (j) In certain circumstances the AFM may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Sub-fund, is intended to cover certain charges not included in the bid market value of the Sub-fund, used in calculating the share price, which could have a diluting effect on the performance of the Sub-fund.
- (k) The Sub-fund currently issues Accumulation & Income shares. The Sub-fund goes ex dividend annually and pays any income available to the shareholder two months in arrears, as a dividend distribution. Any revenue deficit at the year end is funded from capital.

If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant Sub-fund (or if it no longer exists the ACD). Application to claim distributions that have not been paid should be made to the ACD before this six year period has elapsed.

For the treatment of expenses revert to policy 'c' and special dividends revert to policy 'f'.

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 Net capital (losses)	2023	2022
	£	£
The net capital (losses) comprise:		
Non-derivative securities (losses)	(6,549,171)	(5,064,994)
Derivative contract (losses)	(857,354)	(193,548)
Currency (losses)	(145,137)	(138,263)
Transaction charges	(14,328)	(19,315)
Total net capital (losses)	<u>(7,565,990)</u>	<u>(5,416,120)</u>
3 Revenue	2023	2022
	£	£
Non-taxable dividends	1,208,073	875,390
Bank interest	33,448	615
Total revenue	<u>1,241,521</u>	<u>876,005</u>
4 Expenses	2023	2022
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	601,662	509,214
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	29,709	29,342
Safe custody fee	64,122	47,207
	<u>93,831</u>	<u>76,549</u>
Other expenses:		
Audit fee	10,020	8,352
FCA fee	55	41
LEI fees	156	156
Other expenses	61,180	39,345
	<u>71,411</u>	<u>47,894</u>
Total expenses	<u>766,904</u>	<u>633,657</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2023	2022
	£	£

(a) Analysis of charge in the year

Indian capital gains tax	938,086	-
Irrecoverable overseas withholding tax	88,271	70,053
Total tax charge for the year (note 5b)	1,026,357	70,053

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower (2022: higher) than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%) The differences are explained below:

Net revenue before UK corporation tax	467,159	233,272
Corporation tax at 20.00% (2022: 20.00%)	93,432	46,654
Effects of:		
Revenue not subject to UK corporation tax	(241,615)	(175,078)
Excess management expenses	148,183	128,424
Indian capital gains tax	938,086	-
Irrecoverable overseas withholding tax	88,271	70,053
Total tax charge for the year (note 5a)	1,026,357	70,053

(c) Provision for deferred taxation

At 30 June 2023 there is a potential deferred tax asset of £690,655 (30 June 2022: £542,472) in relation to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

6 Finance costs

	2023	2022
	£	£

Final dividend distribution	1,168,175	903,576
	1,168,175	903,576

Add: Revenue deducted on cancellation of shares	37,057	26,805
Deduct: Revenue received on issue of shares	(59,026)	(133,919)

Net distribution for the year	1,146,206	796,462
Interest payable and similar charges	7,458	9,076
Total finance costs	1,153,664	805,538

Reconciliation of distributions

Net (expenses)/revenue after taxation	(559,198)	163,219
Expenses paid from capital	766,904	633,657
Tax relief allocated to capital	(5,198)	-
Indian capital gains tax taken to capital	938,086	-
Balance brought forward	414	-
Balance carried forward	5,198	(414)
Net distribution for the year	1,146,206	796,462

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2023	30.06.2022
	£	£
Amounts receivable on creation of shares	41,297	5,664,520
Amounts receivable on unsettled trades	541,474	376,293
Accrued revenue:		
Non-taxable dividends receivable	175,324	53,266
Withholding tax recoverable	16,877	16,459
Prepayments	665	171
Total debtors	<u>775,637</u>	<u>6,110,709</u>
8 Cash and bank balances	30.06.2023	30.06.2022
	£	£
Cash and bank balances	1,695,227	2,938,476
Bank overdraft	<u>(75,583)</u>	<u>(907,075)</u>
9 Creditors	30.06.2023	30.06.2022
	£	£
Amounts payable on cancellation of shares	33,825	105,375
Amounts payable on unsettled trades	-	1,610,238
Amounts payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	53,537	43,306
Payable to the depositary, associates of the depositary and agents of either of them:		
Depositary's fees	2,378	2,127
Safe custody and other custodian charges	56,071	43,178
	<u>58,449</u>	<u>45,305</u>
Indian capital gains tax provision	723,881	-
Other accrued expenses	21,403	11,665
	<u>891,095</u>	<u>1,815,889</u>

10 Shares held**Class A Net Accumulation GBP**

Opening Shares at 01.07.2022	366,289
Shares issued during the period	126,212
Shares cancelled during the period	(1,858)
Shares converted during the period	(490,643)
Closing Shares as at 05.06.2023	-

Class B Net Accumulation GBP

Opening Shares at 01.07.2022	6,319,533
Shares issued during the year	1,395,616
Shares cancelled during the year	(865,607)
Shares converted during the year	428,436
Closing Shares as at 30.06.2023	7,277,978

Class B Net Accumulation USD

Opening Shares at 01.07.2022	1,848,609
Shares issued during the year	377,058
Shares cancelled during the year	(702,795)
Shares converted during the year	-
Closing Shares as at 30.06.2023	1,522,872

Class C Net Accumulation GBP

Opening Shares at 01.07.2022	12,034,241
Shares issued during the year	273,717
Shares cancelled during the year	-
Shares converted during the year	-
Closing Shares as at 30.06.2023	12,307,958

Class C Net Accumulation USD

Opening Shares at 01.07.2022	5,041,359
Shares issued during the year	-
Shares cancelled during the year	-
Shares converted during the year	-
Closing Shares as at 30.06.2023	5,041,359

Class B Net Income GBP

Opening Shares at 01.07.2022	1,275,977
Shares issued during the year	1,021,623
Shares cancelled during the year	(99,680)
Shares converted during the year	2,008
Closing Shares as at 30.06.2023	2,199,928

Class C Net Income GBP

Opening Shares at 01.07.2022	26,073,799
Shares issued during the year	6,499,660
Shares cancelled during the year	(2,947,255)
Shares converted during the year	(1,975)
Closing Shares as at 30.06.2023	29,624,229

11 Risk management policies

In pursuing its investment objective as stated on page 7, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-fund's financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Sub-fund holds. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy as set out in the Prospectus, and managed by the diversification of the portfolio.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £7,800,895 (30 June 2022: £7,376,475).

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The sub-fund take on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the fund on a regular basis. In addition any cash deposits in the sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

	30.06.2023	30.06.2022
	£	£
Financial assets floating rate	1,695,227	2,938,476
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	78,784,589	79,875,459
Financial liabilities non-interest bearing instruments	(1,544,473)	(2,299,007)
Financial liabilities floating rate	(75,583)	(907,075)
	78,859,760	79,607,853

At 30 June 2023, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £4,049 (30 June 2022: £5,079).

11 Risk management policies (Continued)

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-fund's investment portfolio is invested in equities, some of which can be registered overseas and the balance sheet can be affected by movements in foreign exchange rates. The AFM may seek to manage exposure to currency movements for equities and any bank accounts held in foreign currencies by using forward exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling on or near the date of receipt.

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£		£		£	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Sterling	(616,022)	3,861,531	-	-	(616,022)	3,861,531
Euro	16,877	16,459	2,333,731	1,875,145	2,350,608	1,891,604
Hong Kong dollar	281,598	(250,402)	28,905,347	25,580,099	29,186,945	25,329,697
Indonesian rupiah	-	46,088	5,814,050	3,638,669	5,814,050	3,684,757
Japanese yen	1,790	1,685	1,090,092	932,429	1,091,882	934,114
Philippine peso	434,829	9,145	4,860,267	5,865,548	5,295,096	5,874,693
Thai Baht	-	-	3,083,502	2,713,704	3,083,502	2,713,704
Indian rupee	337,763	-	17,069,847	12,803,578	17,407,610	12,803,578
United States dollar	293,300	1,067,459	4,152,960	7,227,911	4,446,260	8,295,370
Chinese yuan	-	-	1,116,124	3,986,050	1,116,124	3,986,050
Vietnamese đồng	100,673	1,091,138	9,583,032	9,141,617	9,683,705	10,232,755
Total	850,808	5,843,103	78,008,952	73,764,750	78,859,760	79,607,853

Note: A movement of 10% in the currency exchange rates on foreign currency denominated assets (prior to the effect of currency hedging on applicable share classes) will affect the Sub-fund by £7,947,578 (30 June 2022: £7,574,632).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2023 are payable either within one year or on demand.

Liquidity risk

The Sub-fund's assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Credit risk also arises on cash held within financial institutions. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 Risk management policies (Continued)

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

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

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

Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	30.06.2023		30.06.2022	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	76,762	-	72,561	-
Level 2: Valuation techniques using observable inputs other than quoted prices within level 1	1,247	-	1,188	-
Level 3: Valuation techniques using unobservable inputs.	-	-	16	-
Total	78,009	-	73,765	-

12 Contingent assets and liabilities

At 30 June 2023, the Sub-fund had no contingent liabilities or commitments (30 June 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 30 June 2023. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

Share class	Price at 30 June 2023	Price at 26 October 2023
Class B Net Accumulation GBP	155.0322p	151.3740p
Class B Net Accumulation USD	123.6529c	115.2743c
Class C Net Accumulation USD	80.3977c	74.9991c
Class B Net Income GBP	136.9339p	133.6954p
Class C Net Accumulation GBP	157.8038p	154.1801p
Class C Net Income GBP	139.3072p	136.1118p

14 Direct transaction costs

	2023		2022	
Analysis of total purchase costs	£	% of total purchases	£	% of total purchases
Purchases in the year before transaction costs	30,755,237		35,674,660	
Commissions	32,694	0.11%	39,413	0.11%
Taxes & Levies	28,853	0.09%	27,677	0.08%
Total purchase costs	61,547	0.20%	67,090	0.19%
Total purchases including transaction costs	30,816,784		35,741,750	
	2023		2022	
Analysis of total sale costs	£	% of total sales	£	% of total sales
Sales in the year before transaction costs	20,102,751		27,674,344	
Commissions	(20,195)	(0.10%)	(29,068)	(0.11%)
Taxes & Levies	(30,446)	(0.15%)	(44,252)	(0.16%)
Total sale costs	(50,641)	(0.25%)	(73,320)	(0.27%)
Total sales net of transaction costs	20,052,110		27,601,024	

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

	2023	% of average £ net asset value	2022	% of average £ net asset value
Commissions	52,889	0.06%	68,481	0.10%
Taxes & Levies	59,299	0.07%	71,929	0.10%
	112,188	0.13%	140,410	0.20%

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 June 2023 is 0.26% (30 June 2022: 0.32%).

16 Related Party transactions

Valu-Trac Investment Management Limited, as AFM is a related party due to its ability to act in respect of the operations of the Sub-fund.

Amounts paid to the AFM and its associates are disclosed in note 4. The amounts due to the AFM and its associates at the balance sheet date are disclosed in note 9.

DISTRIBUTION TABLES

Final distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 30 June 2023

Class A Net Accumulation GBP	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	-	-	-	1.6846p
Group 2	-	-	-	1.6846p

Class B Net Accumulation GBP	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.2557p	-	2.2557p	1.9182p
Group 2	1.4731p	0.7826p	2.2557p	1.9182p

Class B Net Accumulation USD	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.4225p	-	1.4225p	2.0128p
Group 2	0.5713p	0.8512p	1.4225p	2.0128p

Class C Net Accumulation GBP	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.2942p	-	2.2942p	1.9505p
Group 2	1.1378p	1.1564p	2.2942p	1.9505p

Class C Net Accumulation USD	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	0.9242p	-	0.9242p	0.4191p
Group 2	0.9242p	-	0.9242p	0.4191p

Class B Net Income GBP	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.0220p	-	2.0220p	1.7425p
Group 2	1.1597p	0.8623p	2.0220p	1.7425p

Class C Net Income GBP	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.0554p	-	2.0554p	1.7676p
Group 2	1.5526p	0.5028p	2.0554p	1.7676p

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- i) 97.31% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 2.69% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

INFORMATION FOR INVESTORS

Distribution

Distributions of the revenue of the Company will be made to shareholders on or before 31 August each year.

Taxation

The company will pay no corporation tax on its profits for the year to 30 June 2023 and capital gains within the Company will not be taxed.

Individual shareholders

Income tax: Tax-free annual dividend allowance now standing at £1,000 (2023/24). UK resident shareholders are now subject to new, higher rates of tax on dividend income in excess of the annual allowance. UK resident shareholders are subject to tax on dividend income in excess of the annual allowance.

Capital gains tax: Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £6,000 (2023/24) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at a rate of 20% and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during 8.30am to 5.30pm. Instructions may be given by email to halo@valu-trac.com or by sending an application form to the Registrar. Application forms are available from the Registrar.

The price of shares will be determined by reference to a valuation of the Company's net assets at 12:00 each business day.

The AFM has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the AFM will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. Settlement is due four business days after the trade date shown on the contract note and should be made to the AFM's dealing account.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the AFM of a request for redemption. The minimum value of shares that a shareholder may hold is Class B £100 (or \$ equivalent); and Class C £5,000,000 (or \$ equivalent). The AFM may at its discretion accept subscriptions lower than the minimum amount.

The most recent issue and redemption prices are available from the AFM.

Assessment of Value

The AFM conducts an assessment of value for the Sub-funds each year. The assessment of value reports are available on the AFM's website.

INFORMATION FOR INVESTORS (Continued)

Remuneration disclosure

The AFM is subject to a remuneration policy which meets the requirements of the Undertakings for Collective Investment in Transferable Securities Directive (UCITS) as set out in SYSC 19E of the FCA Handbook.

The policy is designed to ensure practices for employee remuneration are consistent with, and promote, sound and effective risk management. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or instrument of incorporation of the funds managed, and does not impair the AFM compliance with its duty to act in the best interests of the funds it manages.

The AFM has reviewed the Remuneration Policy and its application in the last year which has resulted in no material changes to the policy or irregularities to process.

The AFM is required to disclose the total remuneration it pays to its staff during the financial year, split into fixed and variable remuneration, with separate aggregate disclosure for staff whose actions may have a material impact to the risk profile of a fund or the AFM itself. This includes executives, senior risk and compliance staff and certain senior managers.

28.05.2023	Number of Beneficiaries	Fixed Remuneration	Variable Remuneration Paid	Total Remuneration Paid
Total remuneration paid by the AFM during the year	86	£3,462,948	£ nil	£3,462,948
Remuneration paid to employees of the AFM who have a material impact on the risk profile of the UK UCITS	18	£1,043,732	£ nil	£1,043,732
Senior Management	14	£779,584	£ nil	£779,584
Control Functions	4	£264,148	£ nil	£264,148
Employees receiving total remuneration that takes them into the same remuneration brackets as senior management and risk takers	0	£ -	£ nil	£ -

Further information is available in the AFM's Remuneration Policy document which can be obtained from <https://www.valu-trac.com/Pillar%203%202021-09.pdf>. A paper copy of the remuneration policy is available on request from the registered office of the Authorised Fund Manager free of charge.

CORPORATE DIRECTORY

Authorised Fund Manager, Manager & Registrar	Valu-Trac Investment Management Limited Orton Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 E-mail: halo@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
Director	Valu-Trac Investment Management Limited as AFM
Investment Manager	Halo Global Asset Management Ltd 95 Queen Victoria Street London EC4V 4HN Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depositary 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 Chartered Accountants Commerce House South Street Elgin IV30 1JE