

# 7IM OPPORTUNITY FUNDS

Interim unaudited Report and Financial Statements  
for the period ended 30 November 2024

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7IM Real Return Fund  
7IM Select Moderately Cautious Fund  
7IM Select Balanced Fund  
7IM Select Moderately Adventurous Fund  
7IM Select Adventurous Fund  
7IM Pathbuilder 1 Fund  
7IM Pathbuilder 2 Fund  
7IM Pathbuilder 3 Fund  
7IM Pathbuilder 4 Fund



# 7IM OPPORTUNITY FUNDS

## DIRECTORY

### **Authorised Corporate Director ('ACD')**

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(Authorised and regulated by the Financial Conduct Authority)

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### **Members of the Board of Seven Investment Management LLP**

A. Grace (Non-executive Chair)

D. Proctor (Executive)

D. Walker (Executive)

D. Young (Non-executive)

E. Chambers (Non-executive)\*

\* Effective as at 31 July 2024.

### **Depository**

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(Authorised and regulated by the Financial Conduct Authority)

### **Registrar & Administrator**

Northern Trust Global Services SE (UK Branch)

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London

E14 5NT

(principal place of business)

### **Independent Auditor**

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# 7IM OPPORTUNITY FUNDS

## CONTENTS

Authorised Status	4
Remuneration Disclosures	4
Sub-Fund Cross Holdings	4
Director's Statement	5
<b>7IM Real Return Fund</b>	
ACD's Report	
- Investment Objective and Policy	6
- Investment Manager's Report	6
Fund Information	9
Portfolio Statement	15
Statement of Total Return	17
Statement of Change in Net Assets Attributable to Shareholders	17
Balance Sheet	18
Note to the Financial Statements	19
Distribution Tables	20
<b>7IM Select Moderately Cautious Fund</b>	
ACD's Report	
- Investment Objective and Policy	21
- Investment Manager's Report	21
Fund Information	24
Portfolio Statement	31
Statement of Total Return	32
Statement of Change in Net Assets Attributable to Shareholders	32
Balance Sheet	33
Note to the Financial Statements	34
Distribution Tables	35
<b>7IM Select Balanced Fund</b>	
ACD's Report	
- Investment Objective and Policy	37
- Investment Manager's Report	37
Fund Information	40
Portfolio Statement	47
Statement of Total Return	49
Statement of Change in Net Assets Attributable to Shareholders	49
Balance Sheet	50
Note to the Financial Statements	51
Distribution Tables	52
<b>7IM Select Moderately Adventurous Fund</b>	
ACD's Report	
- Investment Objective and Policy	53
- Investment Manager's Report	53
Fund Information	56
Portfolio Statement	64
Statement of Total Return	66
Statement of Change in Net Assets Attributable to Shareholders	66
Balance Sheet	67
Note to the Financial Statements	68
Distribution Tables	69

# 7IM OPPORTUNITY FUNDS

## CONTENTS (continued)

### 7IM Select Adventurous Fund

ACD's Report	
- Investment Objective and Policy	70
- Investment Manager's Report	70
Fund Information	73
Portfolio Statement	80
Statement of Total Return	82
Statement of Change in Net Assets Attributable to Shareholders	82
Balance Sheet	83
Note to the Financial Statements	84
Distribution Tables	85

### 7IM Pathbuilder 1 Fund

ACD's Report	
- Investment Objective and Policy	86
- Investment Manager's Report	86
Fund Information	89
Portfolio Statement	94
Statement of Total Return	95
Statement of Change in Net Assets Attributable to Shareholders	95
Balance Sheet	96
Note to the Financial Statements	97
Distribution Tables	98

### 7IM Pathbuilder 2 Fund

ACD's Report	
- Investment Objective and Policy	99
- Investment Manager's Report	99
Fund Information	102
Portfolio Statement	107
Statement of Total Return	108
Statement of Change in Net Assets Attributable to Shareholders	108
Balance Sheet	109
Note to the Financial Statements	110
Distribution Tables	111

### 7IM Pathbuilder 3 Fund

ACD's Report	
- Investment Objective and Policy	112
- Investment Manager's Report	112
Fund Information	115
Portfolio Statement	120
Statement of Total Return	121
Statement of Change in Net Assets Attributable to Shareholders	121
Balance Sheet	122
Note to the Financial Statements	123
Distribution Tables	124

### 7IM Pathbuilder 4 Fund

ACD's Report	
- Investment Objective and Policy	125
- Investment Manager's Report	125
Fund Information	128
Portfolio Statement	133
Statement of Total Return	134
Statement of Change in Net Assets Attributable to Shareholders	134
Balance Sheet	135
Note to the Financial Statements	136
Distribution Tables	137

Securities Financing Transaction and Reuse (SFTR)	138
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## 7IM OPPORTUNITY FUNDS

### CONTENTS (continued)

General Information

139

## 7IM OPPORTUNITY FUNDS

### AUTHORISED STATUS

7IM Opportunity Funds ('the Company') is an umbrella investment company with variable capital incorporated in England and Wales under registered number IC000929 and authorised by the Financial Conduct Authority with effect from 29 December 2011. The Company has an unlimited duration.

It is a 'UK UCITS Scheme' and the currency of the Company is Pounds Sterling.

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

### REMUNERATION DISCLOSURES

The provisions of the Undertaking in Collective Investments Schemes Directive ("UCITS V") took effect on 18 March 2016. That legislation requires the Authorised Corporate Director ('ACD'), Seven Investment Management LLP, to establish and maintain remuneration policies for its staff which are consistent with and promote sound and effective risk management.

The ACD's remuneration policies are the responsibility of a Remuneration Committee which includes the Non-Executive Chairman and all Non-Executives. The Remuneration Committee has established a remuneration policy which sets out a framework for determining the level of fixed and variable remuneration of staff, including maintaining an appropriate balance between the two.

Arrangements for variable remuneration are calculated primarily by reference to the performance of each individual. The policies are designed to reward high performance, to directly link to the ACD's profitability, and to form part of overall compensation in relation to market competitors.

All staff are employed by the ACD with none employed directly by the UCITS scheme.

The total remuneration of those individuals who are fully or partly involved in the activities of the UCITS scheme for the financial year ending 31 December 2023, is analysed below:

Fixed Remuneration	£3,137,968
Variable Remuneration	£761,607
<b>Total</b>	<b>£3,899,575</b>
FTE Number of staff:	30

Two of the staff members included in the total remuneration figures above are considered to be senior management whilst there are eleven staff members whose actions are considered to have a material impact on the risk profile of the fund. The table below provides an alternative analysis of the remuneration data.

Aggregate remuneration of:

Senior management	£762,500
Staff whose actions may have a material impact on the funds	£1,853,528
Other	£1,283,547
<b>Total</b>	<b>£3,899,575</b>

The staff members included in the above analysis support all the UCITS funds managed by the ACD. It is not considered feasible or useful to attempt to apportion these figures to individual funds.

The management has reviewed the general principles of the Remuneration Policy and its application in the last year which has resulted in no material changes to the Policy.

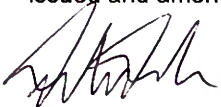
### SUB-FUND CROSS-HOLDINGS

No sub-fund held shares in any other sub-fund within the Company during the current or prior period.

## 7IM OPPORTUNITY FUNDS

### DIRECTOR'S STATEMENT

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



D. Walker

On behalf of Seven Investment Management LLP

ACD of 7IM Opportunity Funds

31 January 2025

# 7IM REAL RETURN FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The investment objective of 7IM Real Return Fund ('the Sub-fund') is to seek growth in real terms over the medium to longer term. The Sub-fund will aim to provide a total return, net of fees, that exceeds UK inflation (as measured by Consumer Prices Index-All Items) by 2% on average over a rolling three year horizon. Capital invested in the Sub-fund is at risk and there is no guarantee that a positive return will be delivered over any one or a number of rolling three year periods. There may be a moderate risk to capital.

The Sub-fund will have a flexible investment policy, allowing investment in transferable securities, money market instruments, units in collective investment schemes, deposits, cash, near cash, and derivative instruments including forward transactions in accordance with the FCA Rules.

There will be no restrictions on the underlying content of the investments held, in terms of investment type, geographical or economic sector and as a consequence, the ACD has the absolute discretion to weight the portfolio towards any investment type or sector, including cash at any time.

The Sub-fund may use derivatives for investment purposes as well as for Efficient Portfolio Management.

### Comparator Benchmark

The Consumer Prices Index-All Items (plus 2%) has been selected as a target benchmark because it is a key measure of consumer inflation in the United Kingdom and is therefore an appropriate target for the Sub-fund. Shareholders should use the Index to assess the performance of the Sub-fund.

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 2.39%<sup>1</sup>. Broadly in line with the Sub-funds objective of CPI +2%, which equated to 1.66%.

The Sub-fund return beat its comparator benchmarks of CPI+2% over the period. The Sub-fund return has remained positive after the inflationary shock of 2022 where CPI rose to around 10%. CPI has fallen significantly and the Alternatives Strategies as well as Gold have contributed positively over the period. The 6 month, 1 year, 3 year and 5 year relative performance to the benchmark was 0.73%, 0.84%, (19.73)% and (28.25)% respectively.

### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

<sup>1</sup> Calculated using 7IM Real Return Fund C Acc, published prices. Source: NTRS.



# 7IM REAL RETURN FUND

## ACD'S REPORT (continued) for the period ended 30 November 2024

### Investment Manager's Report (continued)

#### Investment Background (continued)

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

#### Portfolio Review

The Real Return Fund balances a mix of alternative-like exposures that can deliver an absolute return through a variety of market environments. These assets are divided in broad asset class baskets such as alternative yield, alternative credit, alternative risk premia, directional, real and hedging assets.

As referenced previously, the Sub-fund has struggled to beat its inflation+2% objective over the past few years due to the unprecedented levels of inflation. As such, the asset allocation mixture has been re-evaluated and revised, providing the Sub-fund the best opportunity to achieve its objective.

While alternative yield has performed well in 2024, the basket has been a headwind to the Sub-fund over the longer term; especially in 2022, a rising inflation and rates environment. Similarly, real assets which historically provide a hedge against inflation, have struggled in the higher rate environment, falling in value since October 2022.

Conversely, the alternative risk premia basket has outperformed consistently with a 5-year track record within the broader fund range. The basket has outperformed in a variety of environments, providing defensiveness and protection when required whilst carrying positively in normal market conditions. This performance epitomises the characteristics desired in liquid alternative strategies – market neutrality and defensiveness. Using the live fund basket or backtesting current weights, the alternative risk premia basket surpassed the RRF objective over the past 5 years.

On that basis, to align the Sub-fund with its objective and providing clients with best possible outcomes, the Sub-fund has increased the alternative risk premia allocation whilst removing the alternative yield and real asset investments. Additionally, allocation towards short-term GILTs increased, taking advantage of the high yields on offer.

In terms of alternative risk premia performance, the basket delivered 1.7% over the period which is in line with the Sub-fund objective. Commodity Carry continues to outperform in relatively benign commodity markets. The strategy has proven itself as both market neutral and defensive, assuming energy markets are correlated with the macro environment.

Fulcrum Equity Dispersion has been the top performer for the period with the discretionary manager monetising the difference between index and single stock volatility. While the environment has not been optimal, the manager has continued to perform, taking opportunities when possible, such as the volatility spike early August this year.

FX Value, the G10 currency mean reversion strategy provided by JPM, has outperformed with Japanese Yen reverting to some extent following significant underperformance. With rate expectations normalising, the carry trade appears to be less attractive and therefore the Yen has moved towards a fair value (positive for the position). Additionally, the strategy is short Swiss Francs which are by some measures overvalued for multiple reasons including being a safe-haven currency. As market anxiety falls, so has demand for the currency, consequently weakening. This has once again helped performance.

Candriam Index Arbitrage delivered outperformance over the period by estimating passive index composition following rebalances. With vast sums now following passive vehicles, inclusion or exclusion can cause large price deviations which the Sub-fund intends to benefit from. The fund has risen steadily since June this year.

# 7IM REAL RETURN FUND

## ACD'S REPORT (continued) for the period ended 30 November 2024

### Investment Manager's Report (continued)

#### Portfolio Review (continued)

Finally medium-term trend, provided by JPM, has been one of the best performing over the past 3 years but struggled over the past 6-month period. This is largely due to the volatility and reversal seen at the start of August. The strategy held long positions in equities and currencies like the Yen. Speculation pointed towards an unwind of the carry trade but nevertheless, trends reversed resulting in underperformance. Unfortunately, being risk controlled, the elevated volatility resulted in the strategy de-levering some assets and therefore not benefitting from the recover seen in latter week.

Overall, the Real Return Fund has performed in line with expectations and much closer to its objective following the changes this half of the year. With the alternative risk premia basket having proven itself over the past 5-years, the outlook is positive for future performance.

#### Investment Outlook

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM REAL RETURN FUND

### FUND INFORMATION

The Comparative Tables on pages 10 to 12 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM REAL RETURN FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	163.75	157.63	156.76
Return before operating charges*	4.59	7.46	2.33
Operating charges (calculated on average price)	(0.61)	(1.34)	(1.46)
Return after operating charges*	3.98	6.12	0.87
Distributions	(2.30)	(2.23)	(2.20)
Retained distributions on accumulation shares	2.30	2.23	2.20
Closing net asset value per share	167.73	163.75	157.63
* After direct transaction costs of: <sup>1</sup>	(0.01)	0.01	0.01

### Performance

Return after charges <sup>2</sup>	2.43%	3.88%	0.55%
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### Other Information

Closing net asset value (£'000)	79,478	63,795	71,327
Closing number of shares	47,383,746	38,958,867	45,250,553
Operating charges <sup>3</sup>	0.73%	0.84%	0.94%
Direct transaction costs	(0.01)%	0.01%	0.01%

### Prices

Highest share price	167.90	164.37	160.36
Lowest share price	162.47	154.79	149.27

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 13.

# 7IM REAL RETURN FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class D Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	173.22	166.28	164.90
Return before operating charges*	4.80	7.76	2.35
Operating charges (calculated on average price)	(0.33)	(0.82)	(0.97)
Return after operating charges*	4.47	6.94	1.38
Distributions	(2.68)	(2.84)	(2.78)
Retained distributions on accumulation shares	2.68	2.84	2.78
Closing net asset value per share	177.69	173.22	166.28
* After direct transaction costs of: <sup>1</sup>	(0.01)	0.01	0.01

#### Performance

Return after charges <sup>2</sup>	2.58%	4.17%	0.84%
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#### Other Information

Closing net asset value (£'000)	144	149	160
Closing number of shares	81,251	85,987	96,080
Operating charges <sup>3</sup>	0.38%	0.49%	0.59%
Direct transaction costs	(0.01)%	0.01%	0.01%

#### Prices

Highest share price	177.81	173.85	169.06
Lowest share price	171.91	163.33	157.17

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 13.

# 7IM REAL RETURN FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	138.20	132.93	132.09
Return before operating charges*	3.86	6.26	1.94
Operating charges (calculated on average price)	(0.44)	(0.99)	(1.10)
Return after operating charges*	3.42	5.27	0.84
Distributions	(1.97)	(1.99)	(1.96)
Retained distributions on accumulation shares	1.97	1.99	1.96
Closing net asset value per share	141.62	138.20	132.93
* After direct transaction costs of: <sup>1</sup>	(0.01)	0.01	0.01

#### Performance

Return after charges <sup>2</sup>	2.47%	3.96%	0.64%
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#### Other Information

Closing net asset value (£'000)	3,746	6,644	6,320
Closing number of shares	2,644,891	4,808,210	4,754,397
Operating charges <sup>3</sup>	0.63%	0.74%	0.84%
Direct transaction costs	(0.01)%	0.01%	0.01%

#### Prices

Highest share price	141.75	138.72	135.21
Lowest share price	137.13	130.54	125.81

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 13.

## 7IM REAL RETURN FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>	<b>Class D</b>	<b>Class S</b>
ACD's periodic charge	0.60%	0.25%	0.50%
Other expenses	0.00%	0.00%	0.00%
	0.60%	0.25%	0.50%
Collective investment scheme costs	0.13%	0.13%	0.13%
Ongoing Charges Figure	0.73%	0.38%	0.63%

As at 31 May 2024

	<b>Class C</b>	<b>Class D</b>	<b>Class S</b>
ACD's periodic charge	0.60%	0.25%	0.50%
Other expenses	0.00%	0.00%	0.00%
	0.60%	0.25%	0.50%
Collective investment scheme costs	0.24%	0.24%	0.24%
Ongoing Charges Figure	0.84%	0.49%	0.74%

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.

7IM REAL RETURN FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was three. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	5 years
7IM Real Return Fund <sup>1</sup>	2.39	5.23	5.18	8.91

<sup>1</sup> Source: Bloomberg.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 20.



# 7IM REAL RETURN FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>ALTERNATIVES 27.41% (35.47%)<sup>1</sup></b>		
	<b>Alternative Strategies 27.41% (27.33%)<sup>1</sup></b>		
3,589,000	BNP Paribas Issuance 0.00% 08/07/2024 <sup>2</sup>	3,710,673	4.45
65,000	JP Morgan Structured Products 0.00% 06/07/2027 <sup>2</sup>	53,276	0.06
4,618,000	JP Morgan Structured Products 0.00% 10/09/2024 <sup>2</sup>	3,774,479	4.53
5,410,000	JP Morgan Structured Products 0.00% 13/10/2026 <sup>2</sup>	4,202,404	5.04
4,151,200	SG Issuer 0.00% 01/11/2027	3,289,969	3.95
4,668,900	SG Issuer S.A 0.00% 01/11/2027	3,695,117	4.43
41,771	UBS AG London 0.00% 20/10/2027	4,123,317	4.95
		<b>22,849,235</b>	<b>27.41</b>
	<b>Infrastructure 0.00% (8.14%)<sup>1</sup></b>		
	<b>DEBT SECURITIES 33.79% (15.18%)<sup>1</sup></b>		
	<b>Global Government Bonds 33.79% (15.18%)<sup>1</sup></b>		
£3,479,000	UK Treasury Bonds 0.125% 30/01/2026	3,331,769	4.00
£5,891,577	UK Treasury Bonds 0.625% 07/06/2025	5,781,051	6.93
3,461,000	UK Treasury Bonds 1.50% 22/07/2026	3,316,849	3.98
£3,381,000	UK Treasury Bonds 2.00% 07/09/2025	3,317,437	3.98
£5,830,422	UK Treasury Bonds 3.50% 10/22/2025	5,777,802	6.93
£4,430,000	UK Treasury IL Bonds 0.125% 22/03/2026	6,640,902	7.97
		<b>28,165,810</b>	<b>33.79</b>
	<b>FUTURES CONTRACTS -0.33% (-0.12%)<sup>1</sup></b>		
	<b>United States -0.33% (-0.12%)<sup>1</sup></b>		
(21)	S&P 500 CME Futures December 2024	<b>(278,960)</b>	<b>(0.33)</b>
	<b>FORWARD CURRENCY CONTRACTS -0.29% (-0.14%)<sup>1</sup></b>		
US\$(4,000,000)	Vs £3,162,255 Expiry 10.01.2025	12,095	0.01
US\$(53,852,000)	Vs £41,950,318 Expiry 10.01.2025	(460,286)	(0.55)
US\$15,600,000	Vs £(12,147,839) Expiry 10.01.2025	137,785	0.17
US\$4,900,000	Vs £(3,790,619) Expiry 10.01.2025	68,327	0.08
		<b>(242,079)</b>	<b>(0.29)</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 27.55% (45.13%)<sup>1</sup></b>		
	<b>Ireland 10.80% (10.78%)<sup>1</sup></b>		
20,118	Source Physical Gold P-ETC	4,061,622	4.87
61,542	Xtrackers S&P 500 Equal Weight UCITS ETF	4,943,669	5.93
		<b>9,005,291</b>	<b>10.80</b>
	<b>Jersey 0.00% (1.56%)<sup>1</sup></b>		
	<b>Luxembourg 11.78% (24.65%)<sup>1</sup></b>		
62,403	AQR - Managed Futures UCITS Fund	6,512,409	7.81
23,190	Fulcrum Equity Dispersion Fund	3,314,044	3.97
		<b>9,826,453</b>	<b>11.78</b>

## 7IM REAL RETURN FUND

### PORTFOLIO STATEMENT (continued) as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>COLLECTIVE INVESTMENT SCHEMES 27.55% (45.13%)<sup>1</sup> (continued)</b>		
	<b>United Kingdom 4.97% (8.14%)<sup>1</sup></b>		
3,945,069	MI TwentyFour - Monument Bond Fund	<b>4,143,072</b>	<b>4.97</b>
	<b>Portfolio of investment</b>	<b>73,468,822</b>	<b>88.13</b>
	Net other assets <sup>3</sup>	9,899,616	11.87
	<b>Net assets</b>	<b>83,368,438</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Structured product.

<sup>3</sup> Includes shares in the Northern Trust Global Sterling Fund to the value of £1,000,000 which is shown as Cash equivalents in the Balance Sheet of the Sub-fund.

	30.11.24 %	31.05.24 %
<b>Credit Quality</b>		
Investment grade debt securities	29.81	15.18
Non-rated debt securities	27.41	27.33
Other investments	34.51	53.01
Net other assets	8.27	4.48
	<b>100.00</b>	<b>100.00</b>

## 7IM REAL RETURN FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains		623,607		205,171
Revenue	1,376,540		1,070,044	
Expenses	(204,167)		(234,950)	
Interest payable and similar charges	(1,431)		(3,511)	
Net revenue before taxation for the period	1,170,942		831,583	
Taxation	(143,335)		(100,815)	
Net revenue after taxation for the period		1,027,607		730,768
<b>Total return before distributions</b>		1,651,214		935,939
Distributions		(1,027,657)		(730,830)
<b>Change in net assets attributable to shareholders from investment activities</b>		623,557		205,109

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		70,588,493		77,806,622
Amounts received on creation of shares <sup>1</sup>	24,396,887		15,849,241	
Amounts paid on cancellation of shares <sup>1</sup>	(13,394,790)		(14,859,878)	
		11,002,097		989,363
Dilution levy		11,909		–
Change in net assets attributable to shareholders from investment activities		623,557		205,109
Retained distribution on accumulation shares		1,142,382		711,190
<b>Closing net assets attributable to shareholders</b>		83,368,438		79,712,284

<sup>1</sup>Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

# 7IM REAL RETURN FUND

## BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	74,208,068	67,619,430
Current assets:		
Debtors	1,041,340	534,140
Cash and bank balances	8,563,133	2,310,222
Cash equivalents	3,000,000	1,000,000
<b>Total assets</b>	<b>86,812,541</b>	<b>71,463,792</b>
<b>LIABILITIES</b>		
Investment liabilities	(739,246)	(194,498)
Creditors:		
Bank overdrafts	–	(21,011)
Other creditors	(2,704,857)	(659,790)
<b>Total liabilities</b>	<b>(3,444,103)</b>	<b>(875,299)</b>
<b>Net assets attributable to shareholders</b>	<b>83,368,438</b>	<b>70,588,493</b>

## 7IM REAL RETURN FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

# 7IM REAL RETURN FUND

## DISTRIBUTION TABLES

for the period ended 30 November 2024

### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	2.2961	–	2.2961	1.4159
Group 2	1.0369	1.2592	2.2961	1.4159

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class D Accumulation</b>				
Group 1	2.6775	–	2.6775	1.7328
Group 2	2.6775	–	2.6775	1.7328

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class S Accumulation</b>				
Group 1	1.9747	–	1.9747	1.2492
Group 2	1.4919	0.4828	1.9747	1.2492

### Equalisation

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. After averaging 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.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

7IM Select Moderately Cautious Fund aims to provide a return made up of income with some capital growth over the medium to longer term (5 years or more).

The Sub-fund invests at least 80% of its assets in other funds managed both by the Manager and by selected third party managers, including open-ended and closed-ended funds and exchange traded funds (ETFs), other transferable securities such as government and corporate bonds, warrants, structured products and also money market funds and money market instruments used for liquidity management as cover for investment in futures contracts.

Up to 20% of the Sub-fund will usually be invested in assets such as cash and deposits, and may also include the use of money market funds and money market instruments for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above. The Sub-fund's underlying investments will be more focused on income generating assets including government and corporate bonds but there will also be an allocation to growth generating assets such as global equities.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income) as well as for investment purposes. In extraordinary market conditions, it may not be appropriate for the Sub-fund to be invested in funds and other assets as noted above and the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, treasury bills, government bonds or short-term money market instruments. Examples of extraordinary market conditions include periods of heightened volatility caused by a sudden economic downturn or events such as political unrest, war or bankruptcy of large financial institutions.

### Comparator Benchmark

The Sub-fund's performance may be compared to the ARC Sterling Cautious Private Client Index which has been chosen because it is representative of the Sub-fund's risk profile and the type of assets in which it invests. It is therefore an appropriate comparator for the Sub-fund's performance.

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 22 November 2024, the portfolio delivered a total return of 2.45%<sup>1</sup>. During the same period, the ARC Sterling Cautious PCI returned 3.28%.

The Sub-fund underperformed its ARC PCI peer group performance comparator benchmark over the period. The main reason for this was the more defensive tactical positions underperforming in a market rally. Despite their already high starting valuations, US Equity continued to be the best performing asset class leading to positions such as Global Healthcare, Put Selling and Underweight equity all contributing negatively. The 6 month, 1 year, and 3 year relative performance to the benchmark was (0.83)%, 0.00%, and (2.41)% respectively.

### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness.

<sup>1</sup> Calculated using 7IM Select Moderately Cautious Fund C Acc, published prices. Source: NTRS.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## ACD'S REPORT (continued)

for the period ended 30 November 2024

### Investment Manager's Report (continued)

#### Investment Background (continued)

Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

#### Portfolio Review

In June 2024, we continued to reduce our position in Climate Transition Leaders and re-allocate to US equal weight. In an uncertain macro-economic environment, with a reasonable risk of recession, companies within this space tend to be mid-cap low-quality growth and these factors may be more challenged.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in increasing equity across risk profiles, and selling fixed income securities, reducing JPY and GBP exposure, and increasing USD.

Continued underperformance from Climate Transition Leaders led us to exit the position completely in September 2024. We re-allocated to US equal weight and the SAA asset classes where appropriate.

Further narrowing of AT1 credit spreads to high yield bonds towards equivalence caused us to fully exit our AT1's position in September 2024. We allocated back to the Strategic asset class of High Yield.

Following strong outperformance from the Healthcare sector in Q3, we took some profits, and reallocated back into US equity. We continue to believe that sector allocations are an important part of the tactical toolkit.

In October we diversified our allocation to systematic put-selling by introducing a FTSE 100 strategy alongside the existing S&P 500 strategy. We believe this will add diversification to a long-term risk-premia approach which we have strong conviction in.

At the start of November 2024, we aligned portfolios with the beta and duration scores from the monthly Macro Dashboard Review. Taking Equity Beta to 5/10 and Duration to 7.5/10.

The fund was merged with 7IM Moderately Cautious Fund (a sub-fund of the 7IM Investment Funds umbrella) on 22 November 2024.



## 7IM SELECT MODERATELY CAUTIOUS FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM SELECT MODERATELY CAUTIOUS FUND

### FUND INFORMATION

The Comparative Tables on pages 25 to 28 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 <sup>1</sup> (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	97.67	95.21	99.81
Return before operating charges*	4.59	5.62	(1.78)
Operating charges (calculated on average price)	(0.42)	(1.17)	(1.23)
Return after operating charges*	4.17	4.45	(3.01)
Distributions on income shares	(1.78)	(1.99)	(1.59)
Last quoted share price	100.06	–	–
Closing net asset value per share	–	97.67	95.21
* After direct transaction costs of: <sup>2</sup>	0.00	(0.01)	0.00

#### Performance

Return after charges <sup>3</sup>	4.27%	4.67%	(3.02)%
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#### Other Information

Closing net asset value (£'000)	–	2,533	3,543
Closing number of shares	–	2,593,335	3,721,316
Operating charges <sup>4</sup>	0.90%	1.22%	1.27%
Direct transaction costs	0.00%	(0.01)%	0.00%

#### Prices

Highest share price	101.43	100.10	100.00
Lowest share price	97.81	91.73	92.70

<sup>1</sup> The Sub-fund merged with 7IM Moderately Cautious Fund on 22 November 2024. As at the period end date 30 November 2024, there is no share class in issue and the Sub-fund is in the process of being terminated.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 29.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 <sup>1</sup> (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	103.71	99.02	102.11
Return before operating charges*	3.00	5.92	(1.83)
Operating charges (calculated on average price)	(0.47)	(1.23)	(1.26)
Return after operating charges*	2.53	4.69	(3.09)
Distributions	(1.89)	(2.08)	(1.62)
Retained distributions on accumulation shares	1.89	2.08	1.62
Last quoted share price	106.24	–	–
Closing net asset value per share	–	103.71	99.02
* After direct transaction costs of: <sup>2</sup>	0.00	(0.01)	0.00

#### Performance

Return after charges <sup>3</sup>	2.44%	4.74%	(3.03)%
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#### Other Information

Closing net asset value (£'000)	–	22,068	32,773
Closing number of shares	–	21,279,907	33,095,793
Operating charges <sup>4</sup>	0.90%	1.22%	1.27%
Direct transaction costs	0.00%	(0.01)%	0.00%

#### Prices

Highest share price	107.70	105.33	103.48
Lowest share price	103.84	95.41	94.85

<sup>1</sup> The Sub-fund merged with 7IM Moderately Cautious Fund on 22 November 2024. As at the period end date 30 November 2024, there is no share class in issue and the Sub-fund is in the process of being terminated.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 29.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Income

	30.11.24 <sup>1</sup> (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	99.90	96.20	100.82
Return before operating charges*	3.42	5.82	(1.88)
Operating charges (calculated on average price)	(0.18)	(0.95)	(1.00)
Return after operating charges*	3.24	4.87	(2.88)
Distributions on income shares	–	(1.17)	(1.74)
Last quoted share price	103.14	–	–
Closing net asset value per share	–	99.90	96.20
* After direct transaction costs of: <sup>2</sup>	0.00	(0.01)	0.00

#### Performance

Return after charges <sup>3</sup>	3.24%	5.06%	(2.86)%
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#### Other Information

Closing net asset value (£'000)	–	–	–
Closing number of shares	–	108	108
Operating charges <sup>4</sup>	0.65%	0.97%	1.02%
Direct transaction costs	0.00%	(0.01)%	0.00%

#### Prices

Highest share price	103.43	101.79	101.28
Lowest share price	100.42	93.27	93.78

<sup>1</sup> The Sub-fund merged with 7IM Moderately Cautious Fund on 22 November 2024. As at the period end date 30 November 2024, there is no share class in issue and the Sub-fund is in the process of being terminated.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 29.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Accumulation

	30.11.24 <sup>1</sup> (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	104.86	99.92	102.83
Return before operating charges*	3.01	5.92	(1.89)
Operating charges (calculated on average price)	(0.34)	(0.98)	(1.02)
Return after operating charges*	2.67	4.94	(2.91)
Distributions	(1.91)	(2.09)	(1.65)
Retained distributions on accumulation shares	1.91	2.09	1.65
Last quoted share price	107.53	–	–
Closing net asset value per share	–	104.86	99.92
* After direct transaction costs of: <sup>2</sup>	0.00	(0.01)	0.00

#### Performance

Return after charges <sup>3</sup>	2.55%	4.94%	(2.83)%
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#### Other Information

Closing net asset value (£'000)	–	2,217	13,605
Closing number of shares	–	2,114,687	13,616,151
Operating charges <sup>4</sup>	0.65%	0.97%	1.02%
Direct transaction costs	0.00%	(0.01)%	0.00%

#### Prices

Highest share price	108.97	106.49	104.35
Lowest share price	105.01	96.36	95.58

<sup>1</sup> The Sub-fund merged with 7IM Moderately Cautious Fund on 22 November 2024. As at the period end date 30 November 2024, there is no share class in issue and the Sub-fund is in the process of being terminated.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 29.

## 7IM SELECT MODERATELY CAUTIOUS FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

On 22 November 2024, the ACD has started the termination process for the Sub-fund, therefore no ongoing charges figure is disclosed.

As at 31 May 2024<sup>1</sup>

	<b>Class C</b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.50%
Other expenses	0.15%	0.15%
	<hr/>	<hr/>
	0.90%	0.65%
Collective investment scheme costs	0.32%	0.32%
Ongoing Charges Figure	<hr/>	<hr/>
	1.22%	0.97%

<sup>1</sup> Effective 2 October 2023, other expenses is capped at 0.15%.

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.

# 7IM SELECT MODERATELY CAUTIOUS FUND

## FUND INFORMATION (continued)

### Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was four. The risk and reward rating remain the same from the last reporting period.

### Fund performance to 30 November 2024<sup>1</sup> (%)

	6 months	1 year	3 years	5 years
7IM Select Moderately Cautious Fund <sup>2</sup>	2.45	7.29	(1.21)	6.41

<sup>1</sup> Fund performance up to closure date of 22 November 2024.

<sup>2</sup> Source: Bloomberg.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on pages 35 and 36.



# 7IM SELECT MODERATELY CAUTIOUS FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

Holding	Portfolio of Investment	Value £	30.11.24 %
	<b>ALTERNATIVES 0.00% (6.77%)<sup>1</sup></b>		
	<b>Alternative Strategies 0.00% (6.77%)<sup>1</sup></b>		
	<b>EQUITY 0.00% (2.98%)<sup>1</sup></b>		
	<b>United Kingdom 0.00% (2.98%)<sup>1</sup></b>		
	<b>FUTURES CONTRACTS 0.00% (0.02%)<sup>1</sup></b>		
	<b>Germany 0.00% (0.02%)<sup>1</sup></b>		
	<b>FORWARD CURRENCY CONTRACTS 0.00% (-0.24%)<sup>1</sup></b>		
	<b>COLLECTIVE INVESTMENT SCHEMES 0.00% (85.56%)<sup>1</sup></b>		
	<b>Ireland 0.00% (23.69%)<sup>1</sup></b>		
	<b>Japan 0.00% (1.34%)<sup>1</sup></b>		
	<b>Luxembourg 0.00% (31.05%)<sup>1</sup></b>		
	<b>United Kingdom 0.00% (29.48%)<sup>1</sup></b>		
	<b>Portfolio of investment</b>	–	–
	<b>Net other assets</b>	–	–
	<b>Net assets</b>	–	–

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

	30.11.24 %	31.05.24 %
<b>Credit Quality</b>		
Non-rated debt securities	–	4.76
Other investments	–	90.33
Net other assets	–	4.91
	–	<b>100.00</b>

## 7IM SELECT MODERATELY CAUTIOUS FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

	£	30.11.24 £	£	30.11.23 £
Income				
Net capital gains/(losses)		397,162		(347,715)
Revenue	598,626		614,170	
Expenses	(117,959)		(175,586)	
Interest payable and similar charges	(7)		(6,661)	
Net revenue before taxation for the period	480,660		431,923	
Taxation	(82,165)		(69,835)	
Net revenue after taxation for the period		398,495		362,088
<b>Total return before distributions</b>		795,657		14,373
Distributions		(489,855)		(481,552)
<b>Change in net assets attributable to shareholders from investment activities</b>		305,802		(467,179)

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

for the period ended 30 November 2024

	£	30.11.24 £	£	30.11.23 £
<b>Opening net assets attributable to shareholders</b>		26,818,893		49,921,252
Amounts received on creation of shares <sup>1</sup>	2,541,704		3,605,197	
Amounts paid on cancellation of shares <sup>1</sup>	(30,001,087)		(14,384,859)	
		(27,459,383)		(10,779,662)
Amounts payable due to termination		(99,568)		–
Dilution levy		–		906
Change in net assets attributable to shareholders from investment activities		305,802		(467,179)
Retained distribution on accumulation shares		434,256		404,814
<b>Closing net assets attributable to shareholders</b>		–		39,080,131

<sup>1</sup> Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

## 7IM SELECT MODERATELY CAUTIOUS FUND

### BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	–	25,574,771
Current assets:		
Debtors	27,398,522	157,499
Cash and bank balances	200,579	976,875
Cash equivalents	–	1,083,905
<b>Total assets</b>	<b>27,599,101</b>	<b>27,793,050</b>
<b>LIABILITIES</b>		
Investment liabilities	–	(72,821)
Creditors:		
Bank overdrafts	(6,611)	–
Distribution payable	(49,447)	(22,917)
Other creditors	(27,543,043)	(878,419)
<b>Total liabilities</b>	<b>(27,599,101)</b>	<b>(974,157)</b>
<b>Net assets attributable to shareholders</b>	<b>–</b>	<b>26,818,893</b>

## 7IM SELECT MODERATELY CAUTIOUS FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

## 7IM SELECT MODERATELY CAUTIOUS FUND

### DISTRIBUTION TABLES

for the period ended 30 November 2024

#### Interim - in pence per share<sup>1</sup>

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25 <sup>1</sup>	Paid 31.01.24
<b>Class C Income</b>				
Group 1	—	—	—	1.1048
Group 2	—	—	—	1.1048

	Net Revenue	Equalisation	Allocated 31.01.25 <sup>1</sup>	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	—	—	—	1.1492
Group 2	—	—	—	1.1492

	Net Revenue	Equalisation	Payable 31.01.25 <sup>1</sup>	Paid 31.01.24
<b>Class S Income</b>				
Group 1	—	—	—	1.1706
Group 2	—	—	—	1.1706

	Net Revenue	Equalisation	Allocated 31.01.25 <sup>1</sup>	Allocated 31.01.24
<b>Class S Accumulation</b>				
Group 1	—	—	—	1.1539
Group 2	—	—	—	1.1539

#### Ad Hoc Distribution - in pence per share<sup>1</sup>

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 22 November 2024

	Net Revenue	Equalisation	Paid 22.01.25 <sup>1</sup>
<b>Class C Income</b>			
Group 1	1.7907	—	1.7907
Group 2	1.5134	0.2773	1.7907

	Net Revenue	Equalisation	Allocated 22.01.25 <sup>1</sup>
<b>Class C Accumulation</b>			
Group 1	1.9014	—	1.9014
Group 2	1.6515	0.2499	1.9014

## 7IM SELECT MODERATELY CAUTIOUS FUND

### DISTRIBUTION TABLES (continued) for the period ended 30 November 2024

	Net Revenue	Equalisation	Paid 22.01.25 <sup>1</sup>
<b>Class S Income</b>			
Group 1	—	—	—
Group 2	—	—	—
	Net Revenue	Equalisation	Allocated 22.01.25 <sup>1</sup>
<b>Class S Accumulation</b>			
Group 1	1.9234	—	1.9234
Group 2	1.6931	0.2303	1.9234

<sup>1</sup> The Sub-fund merged with 7IM Moderately Cautious Fund on 22 November 2024. As at the period end date 30 November 2024, there is no share class in issue and the Sub-fund is in the process of being terminated.

#### Equalisation

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. After averaging 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.

# 7IM SELECT BALANCED FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The 7IM Select Balanced Fund (the 'Sub-fund') aims to provide a balance of income and capital growth over the medium to longer term (5 years or more).

The Sub-fund invests at least 80% of its assets in other funds managed both by the Manager and by selected third party managers, including open-ended and closed-ended funds and exchange traded funds (ETFs), other transferable securities such as government and corporate bonds, warrants and structured products and also money market funds and money market instruments used for liquidity management as cover for investment in futures contracts.

Up to 20% of the Sub-fund will be invested in assets such as cash, and deposits, and may also include the use of money market funds and money market instruments, for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above.

The Sub-fund's underlying investments will comprise a mix of assets with scope for capital growth such as equities and income generating assets including government and corporate bonds. The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income) as well as for investment purposes.

In extraordinary market conditions, it may not be appropriate for the Sub-fund to be invested in funds and other assets as noted above and the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, treasury bills, government bonds or short-term money market instruments. Examples of extraordinary market conditions include periods of heightened volatility caused by a sudden economic downturn or events such as political unrest, war or bankruptcy of large financial institutions.

### Comparator Benchmark

The Sub-fund's performance may be compared to the ARC Sterling Balanced Asset Private Client Index which has been chosen because it is representative of the Sub-fund's risk profile and the type of assets in which it invests. It is therefore an appropriate comparator for the Sub-fund's performance.

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 4.02%. During the same period, the ARC Sterling Balanced Asset PCI returned 4.54%<sup>1</sup>.

The Sub-fund underperformed its ARC PCI peer group performance comparator benchmark over the period. The main reason for this was the more defensive tactical positions underperforming in a market rally. Despite their already high starting valuations, US Equity continued to be the best performing asset class leading to positions such as Global Healthcare, Put Selling and Underweight equity all contributing negatively. The 6 month, 1 year, 3 year and 5 year relative performance to the benchmark was (0.52)%, (0.18)%, 1.05% and 1.22% respectively.

### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup> Calculated using 7IM Select Balanced Fund C Acc, published prices. Source: NTRS.

# 7IM SELECT BALANCED FUND

## ACD'S REPORT (continued) for the period ended 30 November 2024

### Investment Manager's Report (continued)

#### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

#### Portfolio Review

In June 2024, we continued to reduce our position in Climate Transition Leaders and re-allocate to US equal weight. In an uncertain macro-economic environment, with a reasonable risk of recession, companies within this space tend to be mid-cap low-quality growth and these factors may be more challenged.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in increasing equity across risk profiles, and selling fixed income securities, reducing JPY and GBP exposure, and increasing USD.

Having bought Short-dated UK Corporate Bonds in the wake of the 2022 October budget (when spreads blew out), we took profits in August 2024 once spreads had reached our trigger.

Continued underperformance from Climate Transition Leaders led us to exit the position completely in September 2024. We re-allocated to US equal weight and the SAA asset classes where appropriate.

Further narrowing of AT1 credit spreads to high yield bonds towards equivalence caused us to fully exit our AT1's position in September 2024. We allocated back to the Strategic asset class of High Yield.

Following strong outperformance from the Healthcare sector in Q3, we took some profits, and reallocated back into US equity. We continue to believe that sector allocations are an important part of the tactical toolkit.

In October we diversified our allocation to systematic put-selling by introducing a FTSE 100 strategy alongside the existing S&P 500 strategy. We believe this will add diversification to a long-term risk-premia approach which we have strong conviction in.

At the start of November 2024, we aligned portfolios with the beta and duration scores from the monthly Macro Dashboard Review. Taking Equity Beta to 5/10 and Duration to 7.5/10.



## 7IM SELECT BALANCED FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM SELECT BALANCED FUND

### FUND INFORMATION

The Comparative Tables on pages 41 to 44 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM SELECT BALANCED FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	107.95	102.85	105.53
Return before operating charges*	5.00	8.15	0.07
Operating charges (calculated on average price)	(0.63)	(1.20)	(1.21)
Return after operating charges*	4.37	6.95	(1.14)
Distributions on income shares	(1.23)	(1.85)	(1.54)
Closing net asset value per share	111.09	107.95	102.85
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.05%	6.76%	(1.08)%
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#### Other Information

Closing net asset value (£'000)	7,769	11,466	8,554
Closing number of shares	6,993,406	10,621,771	8,317,096
Operating charges <sup>3</sup>	1.15%	1.14%	1.17%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	112.48	110.58	108.04
Lowest share price	107.66	99.57	99.03

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 45.

# 7IM SELECT BALANCED FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	113.40	106.16	107.32
Return before operating charges*	5.27	8.48	0.08
Operating charges (calculated on average price)	(0.67)	(1.24)	(1.24)
Return after operating charges*	4.60	7.24	(1.16)
Distributions	(1.29)	(1.92)	(1.57)
Retained distributions on accumulation shares	1.29	1.92	1.57
Closing net asset value per share	118.00	113.40	106.16
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.06%	6.82%	(1.08)%
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#### Other Information

Closing net asset value (£'000)	209,430	211,497	191,530
Closing number of shares	177,486,540	186,501,356	180,413,138
Operating charges <sup>3</sup>	1.15%	1.14%	1.17%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	118.16	115.41	111.09
Lowest share price	113.10	102.78	100.71

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 45.

# 7IM SELECT BALANCED FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 <sup>1</sup> (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	112.56	107.18	—
Return before operating charges*	5.19	7.73	—
Operating charges (calculated on average price)	(0.52)	(0.31)	—
Return after operating charges*	4.67	7.42	—
Distributions on income shares	(1.34)	(2.04)	—
Closing net asset value per share	115.89	112.56	—
* After direct transaction costs of: <sup>2</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>3</sup>	4.15%	6.92%	—%
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#### Other Information

Closing net asset value (£'000)	2,523	2,465	—
Closing number of shares	2,176,943	2,189,558	—
Operating charges <sup>4</sup>	0.90%	0.89%	—%
Performance fees	—	—	—
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	117.40	115.35	—
Lowest share price	112.30	103.81	—

<sup>1</sup> Share class became active on 19 July 2023.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 45.

# 7IM SELECT BALANCED FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	114.69	107.16	108.08
Return before operating charges*	5.30	8.51	0.06
Operating charges (calculated on average price)	(0.53)	(0.98)	(0.98)
Return after operating charges*	4.77	7.53	(0.92)
Distributions	(1.37)	(2.05)	(1.71)
Retained distributions on accumulation shares	1.37	2.05	1.71
Closing net asset value per share	119.46	114.69	107.16
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.16%	7.03%	(0.85)%
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#### Other Information

Closing net asset value (£'000)	30,094	31,033	20,485
Closing number of shares	25,191,672	27,057,349	19,117,367
Operating charges <sup>3</sup>	0.90%	0.89%	0.92%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	119.63	116.71	112.04
Lowest share price	114.43	103.83	101.51

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 45.

## 7IM SELECT BALANCED FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.50%
Other expenses	0.05%	0.05%
	<hr/> 0.80%	<hr/> 0.55%
Collective investment scheme costs	0.35%	0.35%
Ongoing Charges Figure	<hr/> 1.15%	<hr/> 0.90%

As at 31 May 2024

	<b>Class C</b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.50%
Other expenses	0.05%	0.05%
	<hr/> 0.80%	<hr/> 0.55%
Collective investment scheme costs	0.34%	0.34%
Ongoing Charges Figure	<hr/> 1.14%	<hr/> 0.89%

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.

7IM SELECT BALANCED FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was four. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	5 years
7IM Select Balanced Fund <sup>1, 2</sup>	4.02	10.81	5.49	18.70

<sup>1</sup> Source: Bloomberg.

<sup>2</sup> The Sub-fund launched on 12 July 2019.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 52.



# 7IM SELECT BALANCED FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

Holding	Portfolio of Investment	Value £	30.11.24 %
	<b>ALTERNATIVES 7.29% (6.91%)<sup>1</sup></b>		
	<b>Alternative Strategies 7.29% (6.91%)<sup>1</sup></b>		
7,480,000	JP Morgan Structured Products 0.00% 12/10/2026 <sup>2</sup>	6,422,956	2.57
7,604,000	SG Issuer 0.00% 18/11/2025 <sup>2</sup>	6,522,846	2.61
53,463	UBS AG London 0.00% 20/10/2027	5,277,463	2.11
		<b>18,223,265</b>	<b>7.29</b>
	<b>EQUITY 4.31% (3.98%)<sup>1</sup></b>		
	<b>Luxembourg 1.54% (0.00%)<sup>1</sup></b>		
38,019	Citigroup Global Markets	<b>3,834,596</b>	<b>1.54</b>
	<b>United Kingdom 2.77% (3.98%)<sup>1</sup></b>		
6,954	Goldman Sachs 2024	<b>6,925,353</b>	<b>2.77</b>
	<b>FUTURES CONTRACTS 0.00% (0.03%)<sup>1</sup></b>		
	<b>Germany 0.00% (0.05%)<sup>1</sup></b>		
	<b>United States 0.00% (-0.02%)<sup>1</sup></b>		
	<b>FORWARD CURRENCY CONTRACTS 0.04% (-0.14%)<sup>1</sup></b>		
€4,548,276	Vs £(3,823,372) Expiry 25.04.2025	(11,536)	—
€(4,548,276)	Vs £3,822,298 Expiry 25.04.2025	10,463	—
US\$(9,100,000)	Vs £7,199,168 Expiry 10.01.2025	32,554	0.01
US\$(3,439,652)	Vs £2,723,972 Expiry 10.01.2025	15,108	0.01
US\$(4,800,000)	Vs £3,698,815 Expiry 10.01.2025	(81,377)	(0.03)
US\$(13,800,000)	Vs £10,671,533 Expiry 10.01.2025	(196,519)	(0.08)
US\$(48,373,000)	Vs £37,682,216 Expiry 10.01.2025	(413,456)	(0.17)
¥2,862,500,000	Vs £(14,785,831) Expiry 16.05.2025	544,111	0.22
US\$22,039,652	Vs £(17,162,445) Expiry 10.01.2025	194,662	0.08
		<b>94,010</b>	<b>0.04</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 87.28% (77.22%)<sup>1</sup></b>		
	<b>Ireland 16.70% (13.75%)<sup>1</sup></b>		
95,121	Barings Emerging Markets Debt Blended Total Return	12,197,319	4.88
1,858,234	HSBC Global Funds ICAV - Global Government Bond Index Fund	14,023,564	5.61
475,245	iShares Global Inflation-Linked Bond Index	5,356,306	2.15
23,505	Vanguard Investment Series - Euro Government Bond Index Fund	2,581,494	1.03
73,537	Vanguard Investment Series - US Government Bond Index Fund	7,570,959	3.03
		<b>41,729,642</b>	<b>16.70</b>
	<b>Japan 2.53% (2.12%)<sup>1</sup></b>		
3,750,503	M&G Japan Fund Sterling	<b>6,334,974</b>	<b>2.53</b>
	<b>Luxembourg 19.73% (19.44%)<sup>1</sup></b>		
629,467	Amundi US Treasury Bond Long Dated UCITS ETF	6,333,697	2.54
44,292	AQR - Managed Futures UCITS Fund	4,622,327	1.85
68,025	BlackRock Global Funds - World Mining Fund	3,869,961	1.55
19,604	BlackRock Strategic Funds - Global Event Driven Fund	2,430,721	0.97
2,258	Candriam Absolute Return Equity Market Neutral	3,934,170	1.58
3,185	Candriam Bonds Global High Yield	5,014,567	2.01
28,210	Fulcrum Equity Dispersion Fund	4,031,507	1.61
37,189	Pictet-Japanese Equity Selection A3	6,220,251	2.49
65,424	Robeco Global Credits Acc	7,687,371	3.08

## 7IM SELECT BALANCED FUND

### PORTFOLIO STATEMENT (continued) as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>COLLECTIVE INVESTMENT SCHEMES 87.28% (77.22%)<sup>1</sup> (continued)</b>		
	<b>Luxembourg 19.73% (19.44%)<sup>1</sup> (continued)</b>		
191,678	Schroder ISF Asian Opportunities	5,114,518	2.05
		<b>49,259,090</b>	<b>19.73</b>
	<b>United Kingdom 44.32% (37.01%)<sup>1</sup></b>		
9,283,002	Fidelity Investment Funds ICVC - UK Select Fund	11,742,997	4.70
4,093,360	iShares Global Property Securities Index	10,343,128	4.14
20,512,529	iShares US Equity ESG Index Fund UK	23,467,051	9.39
1,177,646	JP Morgan Europe Dynamic ex-UK	4,171,223	1.67
4,658,077	JPMorgan Fund ICVC - Emerging Markets Income	5,175,124	2.07
5,518,896	LF Lightman European Fund I Accumulation	8,566,983	3.43
2,873,305	Man GLG Income Fund	11,754,690	4.71
25,555	PFS TwentyFour Dynamic Bond	2,523,313	1.01
2,693,154	Premier Miton European Opportunities	8,507,672	3.40
2,497,353	Premier Miton US Opportunities Fund	12,209,557	4.89
19,921,929	Schroder Prime UK Equity Fund	12,251,987	4.91
		<b>110,713,725</b>	<b>44.32</b>
	<b>United States 4.00% (4.90%)<sup>1</sup></b>		
59,810	AB SICAV I - International Health Care Portfolio	9,999,685	4.00
	<b>Portfolio of investment</b>	<b>247,114,340</b>	<b>98.92</b>
	Net other assets	2,701,228	1.08
	<b>Net assets</b>	<b>249,815,568</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Structured product.

	30.11.24 %	31.05.24 %
<b>Credit Quality</b>		
Non-rated debt securities	7.29	6.91
Other investments	91.63	81.09
Net other assets	1.08	12.00
	<b>100.00</b>	<b>100.00</b>

## 7IM SELECT BALANCED FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24	30.11.23
	£	£	£
Income			
Net capital gains/(losses)		7,716,299	(1,590,628)
Revenue	3,753,758		3,494,812
Expenses	(970,913)		(874,368)
Interest payable and similar charges	(430)		(39,406)
Net revenue before taxation for the period	2,782,415		2,581,038
Taxation	(316,049)		(353,980)
Net revenue after taxation for the period		2,466,366	2,227,058
<b>Total return before distributions</b>		10,182,665	636,430
Distributions		(2,835,676)	(2,562,020)
<b>Change in net assets attributable to shareholders from investment activities</b>		7,346,989	(1,925,590)

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

for the period ended 30 November 2024

		30.11.24	30.11.23
	£	£	£
<b>Opening net assets attributable to shareholders</b>		256,461,755	220,568,841
Amounts received on creation of shares <sup>1</sup>	34,821,764		40,321,124
Amounts paid on cancellation of shares <sup>1</sup>	(51,458,138)		(26,425,994)
		(16,636,374)	13,895,130
Change in net assets attributable to shareholders from investment activities		7,346,989	(1,925,590)
Retained distribution on accumulation shares		2,643,198	2,502,642
<b>Closing net assets attributable to shareholders</b>		249,815,568	235,041,023

<sup>1</sup> Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

## 7IM SELECT BALANCED FUND

### BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	247,817,228	226,143,184
Current assets:		
Debtors	6,909,923	742,865
Cash and bank balances	2,363,644	11,676,608
Cash equivalents	–	22,293,957
<b>Total assets</b>	<b>257,090,795</b>	<b>260,856,614</b>
<b>LIABILITIES</b>		
Investment liabilities	(702,888)	(447,457)
Creditors:		
Bank overdrafts	(72,172)	–
Distribution payable	(115,460)	(93,651)
Other creditors	(6,384,707)	(3,853,751)
<b>Total liabilities</b>	<b>(7,275,227)</b>	<b>(4,394,859)</b>
<b>Net assets attributable to shareholders</b>	<b>249,815,568</b>	<b>256,461,755</b>

## 7IM SELECT BALANCED FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

## 7IM SELECT BALANCED FUND

### DISTRIBUTION TABLES

for the period ended 30 November 2024

#### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	1.2328	—	1.2328	1.1315
Group 2	0.5977	0.6351	1.2328	1.1315
	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	1.2949	—	1.2949	1.1725
Group 2	0.7848	0.5101	1.2949	1.1725
	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class S Income</b>				
Group 1	1.3434	—	1.3434	1.2380
Group 2	1.0205	0.3229	1.3434	1.2380
	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class S Accumulation</b>				
Group 1	1.3692	—	1.3692	1.2404
Group 2	1.2576	0.1116	1.3692	1.2404

#### Equalisation

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. After averaging 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.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

7IM Select Moderately Adventurous Fund aims to provide a return made up of capital growth with some income over the medium to longer term (5 years or more).

The Sub-fund invests at least 80% of its assets in other funds managed both by the Manager and by selected third party managers, including open-ended and closed-ended funds and exchange traded funds (ETFs), other transferable securities such as government and corporate bonds, warrants and structured products and also money market funds and money market instruments used for liquidity management as cover for investment in futures contracts.

Up to 20% of the Sub-fund will be invested in assets such as cash, and deposits, and may also include the use of money market funds and money market instruments, for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above.

The Sub-fund's underlying investments will be focused on assets that provide capital growth including equities but, there will be an allocation to income generating assets such as government bonds and corporate bonds.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income) as well as for investment purposes.

In extraordinary market conditions, it may not be appropriate for the Sub-fund to be invested in funds and other assets as noted above and the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, treasury bills, government bonds or short-term money market instruments. Examples of extraordinary market conditions include periods of heightened volatility caused by a sudden economic downturn or events such as political unrest, war or bankruptcy of large financial institutions.

### Comparator Benchmark

The Sub-fund's performance may be compared to the ARC Sterling Steady Growth Private Client Index which has been chosen because it is representative of the Sub-fund's risk profile and the type of assets in which it invests. It is therefore an appropriate comparator for the Sub-fund's performance.

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, portfolio delivered a total return of 4.03%. During the same period, the ARC Sterling Steady Growth PCI returned 4.94%<sup>1</sup>.

The Sub-fund underperformed its ARC PCI peer group performance comparator benchmark over the period. The main reason for this was the more defensive tactical positions underperforming in a market rally. Despite their already high starting valuations, US Equity continued to be the best performing asset class leading to positions such as Global Healthcare, Put Selling and Underweight equity all contributing negatively. The 6 month, 1 year, 3 year and 5 year relative performance to the benchmark was (0.90%), (0.70%), 1.96% and 2.79% respectively.

### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup> Calculated using 7IM Select Moderately Adventurous Fund C Acc shares, published prices. Source: NTRS.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## ACD'S REPORT (continued)

for the period ended 30 November 2024

### Investment Manager's Report (continued)

#### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

#### Portfolio Review

In June 2024, we continued to reduce our position in Climate Transition Leaders and re-allocate to US equal weight. In an uncertain macro-economic environment, with a reasonable risk of recession, companies within this space tend to be mid-cap low-quality growth and these factors may be more challenged.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in increasing equity across risk profiles, and selling fixed income securities, reducing JPY and GBP exposure, and increasing USD.

Having bought Short-dated UK Corporate Bonds in the wake of the 2022 October budget (when spreads blew out), we took profits in August 2024 once spreads had reached our trigger.

Continued underperformance from Climate Transition Leaders led us to exit the position completely in September 2024. We re-allocated to US equal weight and the SAA asset classes where appropriate.

Further narrowing of AT1 credit spreads to high yield bonds towards equivalence caused us to fully exit our AT1's position in September 2024. We allocated back to the Strategic asset class of High Yield.

Following strong outperformance from the Healthcare sector in Q3, we took some profits, and reallocated back into US equity. We continue to believe that sector allocations are an important part of the tactical toolkit.

In October we diversified our allocation to systematic put-selling by introducing a FTSE 100 strategy alongside the existing S&P 500 strategy. We believe this will add diversification to a long-term risk-premia approach which we have strong conviction in.

At the start of November 2024, we aligned portfolios with the beta and duration scores from the monthly Macro Dashboard Review. Taking Equity Beta to 5/10 and Duration to 7.5/10.



## 7IM SELECT MODERATELY ADVENTUROUS FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM SELECT MODERATELY ADVENTUROUS FUND

### FUND INFORMATION

The Comparative Tables on pages 57 to 61 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives, collective investment schemes) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	118.20	110.59	111.09
Return before operating charges*	5.51	10.11	1.48
Operating charges (calculated on average price)	(0.72)	(1.36)	(1.35)
Return after operating charges*	4.79	8.75	0.13
Distributions on income shares	(1.00)	(1.14)	(0.63)
Closing net asset value per share	121.99	118.20	110.59
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.05%	7.91%	0.12%
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#### Other Information

Closing net asset value (£'000)	2,520	3,982	3,769
Closing number of shares	2,065,580	3,369,313	3,408,222
Operating charges <sup>3</sup>	1.20%	1.20%	1.22%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	123.15	121.13	116.46
Lowest share price	115.72	107.00	104.80

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 62.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	120.42	111.55	111.43
Return before operating charges*	5.64	10.24	1.48
Operating charges (calculated on average price)	(0.74)	(1.37)	(1.36)
Return after operating charges*	4.90	8.87	0.12
Distributions	(1.03)	(1.15)	(0.63)
Retained distributions on accumulation shares	1.03	1.15	0.63
Closing net asset value per share	125.32	120.42	111.55
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.07%	7.95%	0.11%
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#### Other Information

Closing net asset value (£'000)	185,366	173,894	153,609
Closing number of shares	147,914,868	144,401,289	137,700,376
Operating charges <sup>3</sup>	1.20%	1.20%	1.22%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	125.47	122.88	117.29
Lowest share price	117.91	107.93	105.12

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 62.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class E Income

	30.11.24 <sup>1</sup> (pence per share)
<b>Change in Net Asset Value Per Unit</b>	
Opening net asset value per unit	228.90
Return before operating charges*	3.37
Operating charges (calculated on average price)	(0.08)
Return after operating charges*	3.29
Distributions on income shares	(0.90)
Closing net asset value per shares	231.29
* After direct transaction costs of: <sup>2</sup>	0.00

#### Performance

Return after charges <sup>3</sup>	1.44%
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#### Other Information

Closing net asset value (£'000)	841
Closing number of shares	363,568
Operating charges <sup>4</sup>	0.80%
Direct transaction costs	0.00%

#### Prices

Highest unit price	232.45
Lowest unit price	227.86

<sup>1</sup> The share class launched on 15 November 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 62.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class E Accumulation

	30.11.24 <sup>1</sup> (pence per share)
<b>Change in Net Asset Value Per Share</b>	
Opening net asset value per shares	243.60
Return before operating charges*	3.64
Operating charges (calculated on average price)	(0.08)
Return after operating charges*	3.56
Distributions	(0.95)
Retained distributions on accumulation shares	0.95
Closing net asset value per shares	247.16
* After direct transaction costs of: <sup>2</sup>	0.00

#### Performance

Return after charges <sup>3</sup>	1.46%
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#### Other Information

Closing net asset value (£'000)	22,328
Closing number of shares	9,033,780
Operating charges <sup>4</sup>	0.80%
Direct transaction costs	0.00%

#### Prices

Highest unit price	247.44
Lowest unit price	245.56

<sup>1</sup> The share class launched on 15 November 2024.

<sup>2</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

<sup>3</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share

<sup>4</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 62.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	121.86	112.64	112.23
Return before operating charges*	5.70	10.32	1.50
Operating charges (calculated on average price)	(0.59)	(1.10)	(1.09)
Return after operating charges*	5.11	9.22	0.41
Distributions	(1.19)	(1.42)	(0.92)
Retained distributions on accumulation shares	1.19	1.42	0.92
Closing net asset value per share	126.97	121.86	112.64
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.19%	8.19%	0.37%
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#### Other Information

Closing net asset value (£'000)	8,906	8,739	7,726
Closing number of shares	7,014,220	7,171,045	6,859,108
Operating charges <sup>3</sup>	0.95%	0.95%	0.97%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	127.10	124.33	118.34
Lowest share price	119.37	109.09	105.97

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 62.

## 7IM SELECT MODERATELY ADVENTUROUS FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>	<b>Class E<sup>1</sup></b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.35%	0.50%
Other expenses	0.05%	0.05%	0.05%
	0.80%	0.40%	0.55%
Collective investment scheme costs	0.40%	0.40%	0.40%
Ongoing Charges Figure	1.20%	0.80%	0.95%

As at 31 May 2024

	<b>Class C</b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.50%
Other expenses	0.06%	0.06%
	0.81%	0.56%
Collective investment scheme costs	0.39%	0.39%
Ongoing Charges Figure	1.20%	0.95%

<sup>1</sup> Share class was launched on 15 November 2024.

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.



7IM SELECT MODERATELY ADVENTUROUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the annual report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was five. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	5 years
7IM Select Moderately Adventurous Fund <sup>1</sup>	4.03	12.46	8.54	25.73

<sup>1</sup> Source: Bloomberg.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 69.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

Holding	Portfolio of Investment	Value £	30.11.24 %
	<b>ALTERNATIVES 6.78% (5.67%)<sup>1</sup></b>		
	<b>Alternative Strategies 6.78% (5.67%)<sup>1</sup></b>		
6,350,000	JP Morgan Structured Products 0.00% 12/10/2026 <sup>2</sup>	5,452,644	2.48
6,293,000	SG Issuer 0.00% 18/11/2025 <sup>2</sup>	5,398,247	2.45
41,163	UBS AG London 2027	4,063,300	1.85
		<b>14,914,191</b>	<b>6.78</b>
	<b>EQUITY 3.66% (3.99%)<sup>1</sup></b>		
	<b>Luxembourg 1.30% (0.00%)</b>		
28,419	Citigroup Global Markets	<b>2,866,340</b>	<b>1.30</b>
	<b>United Kingdom 2.36% (3.99%)<sup>1</sup></b>		
5,199	Goldman Sachs International 2024	<b>5,177,583</b>	<b>2.36</b>
	<b>FUTURES CONTRACTS 0.00% (0.01%)<sup>1</sup></b>		
	<b>Germany 0.00% (0.03%)<sup>1</sup></b>		
	<b>United States 0.00% (-0.02%)<sup>1</sup></b>		
	<b>FORWARD CURRENCY CONTRACTS 0.06% (-0.15%)<sup>1</sup></b>		
€7,909,565	Vs £(6,648,939) Expiry 25.04.2025	(20,062)	(0.01)
€(7,909,565)	Vs £6,646,882 Expiry 25.04.2025	18,005	0.01
US\$(6,250,000)	Vs £4,967,126 Expiry 10.01.2025	45,001	0.02
US\$(6,250,000)	Vs £4,816,165 Expiry 10.01.2025	(105,960)	(0.05)
US\$(24,765,999)	Vs £19,292,534 Expiry 10.01.2025	(211,681)	(0.10)
US\$(17,410,992)	Vs £13,463,912 Expiry 10.01.2025	(247,941)	(0.11)
¥2,665,000,000	Vs £(13,765,674) Expiry 16.05.2025	506,570	0.23
US\$17,410,992	Vs £(13,558,073) Expiry 10.01.2025	153,780	0.07
		<b>137,712</b>	<b>0.06</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 83.88% (77.38%)<sup>1</sup></b>		
	<b>Ireland 1.97% (0.00%)</b>		
576,599	HSBC Global Funds ICAV - Global Government Bond Index Fund	<b>4,351,432</b>	<b>1.97</b>
	<b>Japan 4.15% (3.87%)<sup>1</sup></b>		
5,414,672	M&G Japan Fund Sterling	<b>9,145,921</b>	<b>4.15</b>
	<b>Luxembourg 15.25% (16.45%)<sup>1</sup></b>		
41,462	AQR - Managed Futures UCITS Fund	4,326,958	1.97
76,448	BlackRock Global Funds - World Mining Fund	4,349,122	1.98
16,252	BlackRock Strategic Funds - Global Event Driven Fund	2,015,092	0.92
1,793	Candriam Absolute Return Equity Market Neutral	3,124,154	1.42
22,732	Fulcrum Equity Dispersion Fund	3,248,615	1.48
54,806	Pictet-Japanese Equity Selection A3	9,166,872	4.17
272,530	Schroder ISF Asian Opportunities	7,271,881	3.31
		<b>33,502,694</b>	<b>15.25</b>
	<b>North America 7.14% (9.19%)<sup>1</sup></b>		
70,370	AB SICAV I - International Health Care Portfolio	11,765,225	5.35
30,620	Barings Emerging Markets Debt Blended Total Return	3,926,369	1.79
		<b>15,691,594</b>	<b>7.14</b>
	<b>United Kingdom 55.37% (47.87%)<sup>1</sup></b>		
10,584,969	Fidelity Investment Funds ICVC - UK Select Fund	13,389,985	6.09

## 7IM SELECT MODERATELY ADVENTUROUS FUND

### PORTFOLIO STATEMENT (continued) as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>COLLECTIVE INVESTMENT SCHEMES 83.88% (77.38%)<sup>1</sup> (continued)</b>		
	<b>United Kingdom 55.37% (47.87%)<sup>1</sup> (continued)</b>		
3,534,416	iShares Global Property Securities Index	8,930,785	4.06
20,705,844	iShares US Equity ESG Index Fund UK	23,688,209	10.76
6,489,398	JP Morgan Emerging Markets Income Fund	7,209,721	3.28
1,533,697	JP Morgan Europe Dynamic ex-UK	5,432,356	2.47
3,246,343	Man GLG Income Fund	13,280,788	6.04
3,548,856	Premier Miton European Opportunities	11,210,835	5.10
2,967,903	Premier Miton US Opportunities Fund	14,510,077	6.59
21,525,300	Schroder Prime UK Equity Fund	13,238,060	6.02
7,027,671	WS Lightman European Fund I Accumulation	10,909,053	4.96
		<b>121,799,869</b>	<b>55.37</b>
	<b>Portfolio of investment</b>	<b>207,587,336</b>	<b>94.38</b>
	Net other assets <sup>3</sup>	12,373,948	5.62
	<b>Net assets</b>	<b>219,961,284</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Structured product.

<sup>3</sup> Includes shares in the Deutsche Global Liquidity Managed Sterling Fund Platinum to the value of £3,875,494 which is shown as Cash equivalent in the Balance Sheet of the Sub-fund.

	30.11.24 %	31.05.24 %
<b>Credit Quality</b>		
Non-rated debt securities	6.78	5.67
Other investments	89.36	81.23
Net other assets	3.86	13.10
	<b>100.00</b>	<b>100.00</b>

## 7IM SELECT MODERATELY ADVENTUROUS FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains/(losses)		6,335,812		(1,074,703)
Revenue	2,449,365		1,633,324	
Expenses	(756,076)		(663,617)	
Interest payable and similar charges	(481)		(947)	
Net revenue before taxation for the period	1,692,808		968,760	
Taxation	—		(6,655)	
Net revenue after taxation for the period		1,692,808		962,105
<b>Total return/(loss) before distributions</b>		8,028,620		(112,598)
Distributions		(1,697,514)		(967,416)
<b>Change in net assets attributable to shareholders from investment activities</b>		6,331,106		(1,080,014)

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		186,615,486		165,104,024
Amounts received on creation of shares <sup>1</sup>	53,999,644		19,178,031	
Amounts paid on cancellation of shares <sup>1</sup>	(28,671,116)		(17,909,865)	
		25,328,528		1,268,166
Change in net assets attributable to shareholders from investment activities		6,331,106		(1,080,014)
Retained distribution on accumulation shares		1,686,164		936,942
<b>Closing net assets attributable to shareholders</b>		219,961,284		166,229,118

<sup>1</sup>Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<strong>ASSETS</strong>		
Fixed assets:		
Investments	212,618,168	162,504,028
Current assets:		
Debtors	5,045,666	490,746
Cash and bank balances	5,519,044	7,440,812
Cash equivalents	3,875,494	16,829,252
<strong>Total assets</strong>	<strong>227,058,372</strong>	<strong>187,264,838</strong>
<strong>LIABILITIES</strong>		
Investment liabilities	(585,643)	(326,922)
Creditors:		
Bank overdrafts	(2,855)	(2,124)
Distribution payable	(23,986)	(17,197)
Other creditors	(6,484,604)	(303,109)
<strong>Total liabilities</strong>	<strong>(7,097,088)</strong>	<strong>(649,352)</strong>
<strong>Net assets attributable to shareholders</strong>	<strong>219,961,284</strong>	<strong>186,615,486</strong>

## 7IM SELECT MODERATELY ADVENTUROUS FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

# 7IM SELECT MODERATELY ADVENTUROUS FUND

## DISTRIBUTION TABLES

for the period ended 30 November 2024

### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	1.0036	—	1.0036	0.6298
Group 2	0.5074	0.4962	1.0036	0.6298

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	1.0252	—	1.0252	0.6361
Group 2	0.6478	0.3774	1.0252	0.6361

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24 <sup>2</sup>
<b>Class E Income<sup>1</sup></b>				
Group 1	0.8955	—	0.8955	—
Group 2	0.8952	0.0003	0.8955	—

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24 <sup>2</sup>
<b>Class E Accumulation<sup>1</sup></b>				
Group 1	0.9532	—	0.9532	—
Group 2	0.9529	0.0003	0.9532	—

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class S Accumulation</b>				
Group 1	1.1923	—	1.1923	0.7824
Group 2	0.8321	0.3602	1.1923	0.7824

<sup>1</sup> Share classes were launched on 15 November 2024.

<sup>2</sup> Newly launched share classes, no prior period payments and allocation.

### Equalisation

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. After averaging 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.

# 7IM SELECT ADVENTUROUS FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The 7IM Select Adventurous Fund (the 'Sub-fund') aims to provide capital growth over the medium to longer term (5 years or more).

The Sub-fund invests at least 80% of its assets in other funds managed both by the ACD and by selected third party managers, including open-ended and closed-ended funds and exchange traded funds (ETFs), and other transferable securities such as warrants and structured products and also money market funds and money market instruments used for liquidity management as cover for investment in futures contracts.

Up to 20% of the Sub-fund will usually be invested in assets such as cash, and deposits, and may also include the use of money market funds and money market instruments, for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above.

The Sub-fund's underlying investments will be focused on assets with scope for capital growth including equities.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income) as well as for investment purposes.

In extraordinary market conditions, it may not be appropriate for the Sub-fund to be invested in funds and other assets as noted above and the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, treasury bills, government bonds or short-term money market instruments. Examples of extraordinary market conditions include periods of heightened volatility caused by a sudden economic downturn or events such as political unrest, war or bankruptcy of large financial institutions.

### Comparator Benchmark

The Sub-fund's performance may be compared to the ARC Sterling Equity Risk PCI which has been chosen because it is representative of the Sub-fund's risk profile and the type of assets in which it invests. It is therefore an appropriate comparator for the Sub-fund's performance.

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 4.36%. During the same period, the ARC Equity Risk PCI returned 5.28%

The Sub-fund underperformed its ARC PCI peer group performance comparator benchmark over the period. The main reason for this was the more defensive tactical positions underperforming in a market rally. Despite their already high starting valuations, US Equity continued to be the best performing asset class leading to positions such as Global Healthcare, Put Selling and Underweight equity all contributing negatively. The 6 month, 1 year, 3 year and 5 year relative performance to the benchmark was (0.93%), (1.71%), (0.67%) and 3.69% respectively.

### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup> Calculated using 7IM Select Adventurous Fund C Acc shares, published prices. Source: NTRS.



# 7IM SELECT ADVENTUROUS FUND

## ACD'S REPORT (continued)

for the period ended 30 November 2024

### Investment Manager's Report (continued)

#### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

#### Portfolio Review

In June 2024, we continued to reduce our position in Climate Transition Leaders and re-allocate to US equal weight. In an uncertain macro-economic environment, with a reasonable risk of recession, companies within this space tend to be mid-cap low-quality growth and these factors may be more challenged.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in increasing equity across risk profiles, and selling fixed income securities, reducing JPY and GBP exposure, and increasing USD.

Continued underperformance from Climate Transition Leaders led us to exit the position completely in September 2024. We re-allocated to US equal weight and the SAA asset classes where appropriate.

Further narrowing of AT1 credit spreads to high yield bonds towards equivalence caused us to fully exit our AT1's position in September 2024. We allocated back to the Strategic asset class of High Yield.

Following strong outperformance from the Healthcare sector in Q3, we took some profits, and reallocated back into US equity. We continue to believe that sector allocations are an important part of the tactical toolkit.

In October we diversified our allocation to systematic put-selling by introducing a FTSE 100 strategy alongside the existing S&P 500 strategy. We believe this will add diversification to a long-term risk-premia approach which we have strong conviction in.

At the start of November 2024, we aligned portfolios with the beta and duration scores from the monthly Macro Dashboard Review. Taking Equity Beta to 5/10 and Duration to 7.5/10.

## 7IM SELECT ADVENTUROUS FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM SELECT ADVENTUROUS FUND

### FUND INFORMATION

The Comparative Tables on pages 74 to 77 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM SELECT ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	122.14	114.61	114.78
Return before operating charges*	6.16	9.92	1.85
Operating charges (calculated on average price)	(0.81)	(1.53)	(1.62)
Return after operating charges*	5.35	8.39	0.23
Distributions on income shares	(0.61)	(0.86)	(0.40)
Closing net asset value per share	126.88	122.14	114.61
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

### Performance

Return after charges <sup>2</sup>	4.38%	7.32%	0.20%
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### Other Information

Closing net asset value (£'000)	36	35	88
Closing number of shares	28,645	28,645	76,541
Operating charges <sup>3</sup>	1.31%	1.32%	1.41%
Direct transaction costs	0.00%	0.00%	0.00%

### Prices

Highest share price	127.72	125.45	121.62
Lowest share price	118.96	109.36	108.03

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 78.

# 7IM SELECT ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	123.51	115.03	114.81
Return before operating charges*	6.23	10.03	1.84
Operating charges (calculated on average price)	(0.82)	(1.55)	(1.62)
Return after operating charges*	5.41	8.48	0.22
Distributions	(0.62)	(0.87)	(0.40)
Retained distributions on accumulation shares	0.62	0.87	0.40
Closing net asset value per share	128.92	123.51	115.03
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.38%	7.37%	0.19%
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#### Other Information

Closing net asset value (£'000)	44,229	43,664	33,555
Closing number of shares	34,306,723	35,351,276	29,170,811
Operating charges <sup>3</sup>	1.31%	1.32%	1.41%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	129.16	126.46	121.89
Lowest share price	120.30	109.78	108.05

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 78.

# 7IM SELECT ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	121.24	113.75	113.75
Return before operating charges*	6.12	9.88	2.13
Operating charges (calculated on average price)	(0.65)	(1.24)	(1.34)
Return after operating charges*	5.47	8.64	0.79
Distributions on income shares	(0.76)	(1.15)	(0.79)
Closing net asset value per share	125.95	121.24	113.75
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.51%	7.60%	0.69%
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#### Other Information

Closing net asset value (£'000)	179	172	97
Closing number of shares	141,980	141,980	85,233
Operating charges <sup>3</sup>	1.06%	1.07%	1.16%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	126.94	124.67	120.82
Lowest share price	118.13	108.67	107.02

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 78.

# 7IM SELECT ADVENTUROUS FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class S Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	124.99	116.12	115.60
Return before operating charges*	6.31	10.13	1.87
Operating charges (calculated on average price)	(0.67)	(1.26)	(1.35)
Return after operating charges*	5.64	8.87	0.52
Distributions	(0.78)	(1.18)	(0.69)
Retained distributions on accumulation shares	0.78	1.18	0.69
Closing net asset value per share	130.63	124.99	116.12
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	4.51%	7.64%	0.45%
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#### Other Information

Closing net asset value (£'000)	4,954	4,057	3,541
Closing number of shares	3,792,797	3,245,882	3,050,078
Operating charges <sup>3</sup>	1.06%	1.07%	1.16%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	130.87	127.96	122.95
Lowest share price	121.79	110.93	108.81

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 78.

## 7IM SELECT ADVENTUROUS FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.50%
Other expenses	0.15%	0.15%
	0.90%	0.65%
Collective investment scheme costs	0.41%	0.41%
Ongoing Charges Figure	1.31%	1.06%

As at 31 May 2024

	<b>Class C</b>	<b>Class S</b>
ACD's periodic charge	0.75%	0.50%
Other expenses	0.15%	0.15%
	0.90%	0.65%
Collective investment scheme costs	0.42%	0.42%
Ongoing Charges Figure	1.32%	1.07%

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.



7IM SELECT ADVENTUROUS FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was five. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	5 years
7IM Select Adventurous Fund <sup>1, 2</sup>	4.36	13.58	8.52	29.65

<sup>1</sup> Source: Bloomberg.

<sup>2</sup> The Sub-fund launched on 12 July 2019.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 85.

# 7IM SELECT ADVENTUROUS FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>ALTERNATIVES 1.91% (3.91%)<sup>1</sup></b>		
	<b>Alternative Strategies 1.91% (3.91%)<sup>1</sup></b>		
1,101,000	SG Issuer 0.00% 18/11/2025 <sup>2</sup>	<b>944,457</b>	<b>1.91</b>
	<b>EQUITY 4.27% (3.82%)<sup>1</sup></b>		
	<b>Luxembourg 1.52% (0.00%)</b>		
7,448	Citigroup Global Markets	<b>751,205</b>	<b>1.52</b>
	<b>United Kingdom 2.75% (3.82%)<sup>1</sup></b>		
1,363	Goldman Sachs International 2024	<b>1,357,385</b>	<b>2.75</b>
	<b>FUTURES CONTRACTS 0.00% (0.04%)<sup>1</sup></b>		
	<b>Germany 0.00% (0.04%)<sup>1</sup></b>		
	<b>FORWARD CURRENCY CONTRACTS 0.15% (-0.18%)<sup>1</sup></b>		
€2,918,367	Vs £(2,453,238) Expiry 25.04.2025	(7,402)	(0.01)
€(2,918,367)	Vs £2,452,549 Expiry 25.04.2025	6,713	0.01
¥(108,500,000)	Vs £566,562 Expiry 16.05.2025	(14,503)	(0.03)
US\$(1,150,000)	Vs £886,174 Expiry 10.01.2025	(19,497)	(0.04)
US\$(1,300,000)	Vs £1,002,861 Expiry 10.01.2025	(20,941)	(0.04)
US\$(4,625,000)	Vs £3,602,841 Expiry 10.01.2025	(39,531)	(0.08)
¥786,500,001	Vs £(4,062,552) Expiry 16.05.2025	149,500	0.30
US\$1,300,000	Vs £(1,000,007) Expiry 10.01.2025	23,795	0.05
US\$1,300,000	Vs £(1,029,512) Expiry 10.01.2025	(5,710)	(0.01)
		<b>72,424</b>	<b>0.15</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 90.43% (85.36%)<sup>1</sup></b>		
	<b>Luxembourg 18.34% (22.12%)<sup>1</sup></b>		
15,380	AB SICAV I - International Health Care Portfolio	2,571,418	5.21
8,463	AQR - Managed Futures UCITS Fund	883,179	1.79
21,301	BlackRock Global Funds - World Mining Fund	1,211,833	2.45
14,719	Pictet-Japanese Equity Selection A3	2,461,822	4.98
72,401	Schroder ISF Asian Opportunities	1,931,871	3.91
		<b>9,060,123</b>	<b>18.34</b>
	<b>United Kingdom 72.09% (58.73%)<sup>1</sup></b>		
2,805,863	Fidelity Investment Funds ICVC - UK Select Fund	3,549,417	7.19
993,334	iShares Global Property Securities Index	2,509,963	5.08
5,946,292	iShares US Equity Esg Index Fund UK	6,802,766	13.77
1,798,854	JP Morgan Emerging Markets Income Fund	1,998,527	4.05
375,557	JP Morgan Europe Dynamic ex-UK	1,330,223	2.69
1,760,276	LF Lightman European Fund I Accumulation	2,732,476	5.53
1,484,006	M&G Japan Fund Sterling	2,506,634	5.07
865,923	Man GLG Income Fund	3,542,493	7.17
859,022	Premier Miton European Opportunities	2,713,651	5.49
896,292	Premier Miton US Opportunities Fund	4,381,970	8.87
5,763,173	Schroder Prime UK Equity Fund	3,544,351	7.18
		<b>35,612,471</b>	<b>72.09</b>

## 7IM SELECT ADVENTUROUS FUND

### PORTFOLIO STATEMENT (continued) as at 30 November 2024

Holding	Portfolio of Investment	Value £	30.11.24 %
	<b>Portfolio of investment</b>	<b>47,798,065</b>	<b>96.76</b>
	Net other assets	1,599,445	3.24
	<b>Net assets</b>	<b>49,397,510</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Structured product.

	30.11.24 %	31.05.24 %
<b>Credit Quality</b>		
Non-rated debt securities	1.91	3.91
Other investments	94.85	89.04
Net other assets	3.24	7.05
	<b>100.00</b>	<b>100.00</b>

## 7IM SELECT ADVENTUROUS FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains/(losses)		1,862,497		(786,830)
Revenue	463,495		353,731	
Expenses	(216,598)		(174,585)	
Interest payable and similar charges	(175)		(2,435)	
Net revenue before taxation for the period	246,722		176,711	
Taxation	—		(2,582)	
Net revenue after taxation for the period		246,722		174,129
<b>Total return/(loss) before distributions</b>		2,109,219		(612,701)
Distributions		(248,135)		(175,725)
<b>Change in net assets attributable to shareholders from investment activities</b>		1,861,084		(788,426)

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		47,927,536		37,281,379
Amounts received on creation of shares <sup>1</sup>	6,599,026		6,737,242	
Amounts paid on cancellation of shares <sup>1</sup>	(7,231,071)		(3,129,619)	
		(632,045)		3,607,623
Change in net assets attributable to shareholders from investment activities		1,861,084		(788,426)
Retained distribution on accumulation shares		240,935		174,325
<b>Closing net assets attributable to shareholders</b>		49,397,510		40,274,901

<sup>1</sup> Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

# 7IM SELECT ADVENTUROUS FUND

## BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	47,905,649	44,643,353
Current assets:		
Debtors	76,408	1,569,279
Cash and bank balances	1,670,368	1,440,280
Cash equivalents	–	1,896,789
<b>Total assets</b>	<b>49,652,425</b>	<b>49,549,701</b>
<b>LIABILITIES</b>		
Investment liabilities	(107,584)	(93,316)
Creditors:		
Bank overdrafts	(14,865)	(100)
Distribution payable	(1,250)	(873)
Other creditors	(131,216)	(1,527,876)
<b>Total liabilities</b>	<b>(254,915)</b>	<b>(1,622,165)</b>
<b>Net assets attributable to shareholders</b>	<b>49,397,510</b>	<b>47,927,536</b>

## 7IM SELECT ADVENTUROUS FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

# 7IM SELECT ADVENTUROUS FUND

## DISTRIBUTION TABLES

for the period ended 30 November 2024

### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	0.6080	—	0.6080	0.4669
Group 2	0.6080	—	0.6080	0.4669

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	0.6157	—	0.6157	0.4805
Group 2	0.2972	0.3185	0.6157	0.4805

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class S Income</b>				
Group 1	0.7579	—	0.7579	0.6173
Group 2	0.7579	—	0.7579	0.6173

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class S Accumulation</b>				
Group 1	0.7833	—	0.7833	0.6298
Group 2	0.5835	0.1998	0.7833	0.6298

### Equalisation

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. After averaging 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.

# 7IM PATHBUILDER 1 FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The 7IM Pathbuilder 1 Fund (the 'Sub-fund') aims to provide a return of capital and income over the medium to longer term (5 years or more) consistent with its risk profile (as described in the Investment Strategy section in the Prospectus).

The Sub-fund's investments and the proportion of its exposure to them will be determined by its risk profile in accordance with its banding (as further described in the Investment Strategy and Benchmark sections in the Prospectus). The Sub-fund is at the lowest end of the Pathbuilder Funds' risk range.

The Sub-fund is able to have an exposure of 45% to 90% of its assets to fixed interest securities (including cash gilts and global corporate bonds), primarily through indirect exposure which may be investment grade or sub-investment grade, and 5% to 50% to equities. These exposures are, however, expected to typically be around the middle of the stated ranges.

This exposure will be generated by indirect investment through collective investment schemes (which may include schemes managed by the ACD or an associate of the ACD), investment trusts, exchange traded funds, or through derivative investments (in this way, the Sub-fund may gain exposure to asset classes such as property, commodities and private equity); and/or direct investment in a range of investment grade corporate and government bonds and warrants, and may also be achieved through the use of futures contracts which require cover to be held (typically in the form of money market funds and money market instruments).

It is expected that collective investment schemes and exchange traded funds held by the Sub-fund will generally be managed in accordance with passive strategies designed to track the performance of particular indices, market sectors or asset classes.

Up to 20% of the Sub-fund will be invested in assets such as cash and deposits, and may also include the use of money market funds and money market instruments for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above.

In extraordinary market conditions (such as political unrest, economic instability, war, the bankruptcy of large financial institutions or closure of a relevant market(s)), the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, money market funds, treasury bills, government bonds or short-term money market instruments.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income). The Sub-fund may also use derivatives for investment purposes.

### Comparator Benchmark

The Sub-fund does not use a comparator, constraining or target benchmark to assess performance. Performance may be assessed by considering the extent to which the Sub-fund has met its investment objective. The Sub-fund's returns will be published on [www.7im.co.uk](http://www.7im.co.uk).

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 4.64%<sup>1</sup>.

#### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup> Calculated using 7IM Pathbuilder 1 Fund C Acc shares, published prices. Source: NTRS.



## 7IM PATHBUILDER 1 FUND

### ACD'S REPORT (continued) for the period ended 30 November 2024

#### Investment Manager's Report (continued)

##### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

##### Portfolio Review

Our Pathbuilder funds are the most passively managed funds that we run. As a result, we only make changes to them once a year in line with our SAA process.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in a small increase in equity exposure, maintaining credit exposure, and reducing duration slightly.

## 7IM PATHBUILDER 1 FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM PATHBUILDER 1 FUND

### FUND INFORMATION

The Comparative Tables on pages 90 to 91 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM PATHBUILDER 1 FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	94.78	89.94	93.84
Return before operating charges*	4.56	7.51	(1.77)
Operating charges (calculated on average price)	(0.17)	(0.33)	(0.32)
Return after operating charges*	4.39	7.18	(2.09)
Distributions on income shares	(0.90)	(2.34)	(1.81)
Closing net asset value per share	98.27	94.78	89.94
* After direct transaction costs of: <sup>1</sup>	(0.03)	(0.01)	0.00

### Performance

Return after charges <sup>2</sup>	4.63%	7.98%	(2.23)%
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### Other Information

Closing net asset value (£'000)	82	76	41
Closing number of shares	83,818	80,718	45,492
Operating charges <sup>3</sup>	0.34%	0.35%	0.35%
Direct transaction costs	(0.03)%	(0.01)%	(0.01)%

### Prices

Highest share price	99.15	97.64	94.66
Lowest share price	95.36	88.19	85.83

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 92.

# 7IM PATHBUILDER 1 FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	101.09	93.55	95.67
Return before operating charges*	4.86	7.88	(1.80)
Operating charges (calculated on average price)	(0.18)	(0.34)	(0.32)
Return after operating charges*	4.68	7.54	(2.12)
Distributions	(0.97)	(2.45)	(1.86)
Retained distributions on accumulation shares	0.97	2.45	1.86
Closing net asset value per share	105.77	101.09	93.55
* After direct transaction costs of: <sup>1</sup>	(0.03)	(0.01)	0.00

#### Performance

Return after charges <sup>2</sup>	4.63%	8.06%	(2.22)%
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#### Other Information

Closing net asset value (£'000)	22,593	14,907	10,582
Closing number of shares	21,360,754	14,746,956	11,311,667
Operating charges <sup>3</sup>	0.34%	0.35%	0.35%
Direct transaction costs	(0.03)%	(0.01)%	(0.01)%

#### Prices

Highest share price	105.75	102.81	96.50
Lowest share price	101.68	91.73	87.50

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 92.

# 7IM PATHBUILDER 1 FUND

## FUND INFORMATION (continued)

### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.07%
Ongoing Charges Figure	<hr/> 0.34%

As at 31 May 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.08%
Ongoing Charges Figure	<hr/> 0.35%

<sup>1</sup> Other expenses is capped at 0.05%.

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.

7IM PATHBUILDER 1 FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was four. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	Since Launch
7IM Pathbuilder 1 Fund <sup>1, 2</sup>	4.64	10.58	2.13	12.27

<sup>1</sup> Source: Bloomberg.

<sup>2</sup> The Sub-fund launched on 9 December 2020.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 98.

# 7IM PATHBUILDER 1 FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>ALTERNATIVES 3.87% (4.02%)<sup>1</sup></b>		
	<b>Alternative Strategies 3.87% (4.02%)<sup>1</sup></b>		
1,071,000	JP Morgan Structured Products 0.00% 06/07/2027 <sup>2</sup>	877,818	3.87
	<b>FUTURES CONTRACTS -0.05% (0.03%)<sup>1</sup></b>		
	<b>United States -0.05% (0.03%)<sup>1</sup></b>		
20	MSCI Emerging Markets Index Futures December 2024	(12,098)	(0.05)
	<b>FORWARD CURRENCY CONTRACTS -0.20% (0.09%)<sup>1</sup></b>		
US\$(540,000)	Vs £416,573 Expiry 10.01.2025	(8,698)	(0.04)
US\$(630,000)	Vs £485,300 Expiry 10.01.2025	(10,850)	(0.05)
US\$(3,530,000)	Vs £2,749,845 Expiry 10.01.2025	(30,172)	(0.13)
US\$540,000	Vs £(420,502) Expiry 10.01.2025	4,769	0.02
		<b>(44,951)</b>	<b>(0.20)</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 88.94% (87.77%)<sup>1</sup></b>		
	<b>Ireland 29.39% (41.74%)<sup>1</sup></b>		
785,314	BNY Mellon Global - BNY Mellon Efficient Global High Yield Beta Fund	900,520	3.97
270,002	HSBC Global Funds ICAV - Global Government Bond Index Fund	2,037,627	8.99
80,031	iShares Global Inflation-Linked Bond Index	902,003	3.98
539,078	Legal & General Emerging Markets Government Bond USD Index Fund	565,924	2.50
19,361	Vanguard ESG Global Corporate Bond Index Fund	2,257,787	9.95
		<b>6,663,861</b>	<b>29.39</b>
	<b>Japan 0.00% (2.89%)<sup>1</sup></b>		
	<b>Luxembourg 5.94% (5.82%)<sup>1</sup></b>		
12,858	Lyxor Core UK Government Bond (DR) UCITS ETF	1,346,618	5.94
	<b>United Kingdom 53.61% (37.32%)<sup>1</sup></b>		
62,168	Amundi MSCI Japan ESG Climate Net Zero Ambition CTB UCITS ETF	670,171	2.96
1,175,091	Fidelity Investment Funds ICVC - Index UK Fund	2,169,335	9.57
118,397	HSBC Index Tracker Investment Funds - European Index Fund	1,585,336	6.99
2,317,902	iShares ESG Overseas Corporate Bond Index Fund (UK)	2,706,883	11.94
365,377	iShares Global Property Securities Index	923,235	4.07
505,547	iShares UK Equity Index Fund UK	608,788	2.68
2,581,247	iShares US Equity ESG Index Fund UK	2,953,037	13.02
	Legal & General Emerging Markets Government Bond Local Currency		
805,502	Index Fund Acc	539,928	2.38
		<b>12,156,713</b>	<b>53.61</b>
	<b>Portfolio of investment</b>	<b>20,987,961</b>	<b>92.56</b>
	Net other assets <sup>3</sup>	1,687,280	7.44
	<b>Net assets</b>	<b>22,675,241</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Structured product.

<sup>3</sup> Includes shares in the Deutsche Global Liquidity Managed Sterling Fund Platinum to the value of £500,000 and shares in the Northern Trust Global Sterling Fund to the value of £258,671 which are shown as Cash equivalents in the Balance Sheet of the Sub-fund.



## 7IM PATHBUILDER 1 FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains		625,097		95,727
Revenue	260,872		147,077	
Expenses	(26,967)		(6,940)	
Interest payable and similar charges	(655)		(175)	
Net revenue before taxation for the period	233,250		139,962	
Taxation	(41,350)		(22,527)	
Net revenue after taxation for the period		191,900		117,435
<b>Total return before distributions</b>		816,997		213,162
Distributions		(192,052)		(117,569)
<b>Change in net assets attributable to shareholders from investment activities</b>		624,945		95,593

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		14,983,477		10,622,968
Amounts received on creation of shares <sup>1</sup>	10,288,394		347,956	
Amounts paid on cancellation of shares <sup>1</sup>	(3,432,934)		(1,899,274)	
		6,855,460		(1,551,318)
Dilution levy		4,779		–
Change in net assets attributable to shareholders from investment activities		624,945		95,593
Retained distribution on accumulation shares		206,580		112,613
<b>Closing net assets attributable to shareholders</b>		22,675,241		9,279,856

<sup>1</sup>Stated at mid-market price.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

# 7IM PATHBUILDER 1 FUND

## BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	21,049,779	13,772,232
Current assets:		
Debtors	36,682	198,363
Cash and bank balances	1,022,766	511,834
Cash equivalents	758,671	758,671
<b>Total assets</b>	<b>22,867,898</b>	<b>15,241,100</b>
<b>LIABILITIES</b>		
Investment liabilities	(61,818)	(543)
Creditors:		
Bank overdrafts	–	(14,292)
Distribution payable	(757)	(984)
Other creditors	(130,082)	(241,804)
<b>Total liabilities</b>	<b>(192,657)</b>	<b>(257,623)</b>
<b>Net assets attributable to shareholders</b>	<b>22,675,241</b>	<b>14,983,477</b>

## 7IM PATHBUILDER 1 FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

## 7IM PATHBUILDER 1 FUND

### DISTRIBUTION TABLES

for the period ended 30 November 2024

#### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	0.9034	—	0.9034	1.1223
Group 2	0.8239	0.0795	0.9034	1.1223

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	0.9671	—	0.9671	1.1659
Group 2	0.6883	0.2788	0.9671	1.1659

#### Equalisation

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. After averaging 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.

# 7IM PATHBUILDER 2 FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The 7IM Pathbuilder 2 Fund (the 'Sub-fund') aims to provide a return of capital and income over the medium to longer term (5 years or more) consistent with its risk profile (as described in the Investment Strategy section in the Prospectus).

The Sub-fund's investments and the proportion of its exposure to them will be determined by its risk profile in accordance with its banding (as further described in the Investment Strategy and Benchmark sections in the Prospectus). 7IM Pathbuilder 2 Fund is at the lower end of the Pathbuilder Funds' risk range.

The Sub-fund is able to have an exposure of 33% to 73% of its assets to fixed interest securities (including cash gilts and global corporate bonds), primarily through indirect exposure which may be investment grade or sub-investment grade, and 24% to 64% to equities. These exposures are, however, expected to typically be around the middle of the stated ranges.

This exposure will be generated by: indirect investment through collective investment schemes (which may include schemes managed by the ACD or an associate of the ACD), investment trusts, exchange traded funds, or through derivative investments (in this way, the Sub-fund may gain exposure to asset classes such as property, commodities and private equity); and/or direct investment in a range of investment grade corporate and government bonds and warrants, and may also be achieved through the use of futures contracts which require cover to be held (typically in the form of money market funds and money market instruments).

It is expected that collective investment schemes and exchange traded funds held by the Sub-fund will generally be managed in accordance with passive strategies designed to track the performance of particular indices, market sectors or asset classes.

Up to 20% of the Sub-fund will be invested in assets such as cash and deposits, and may also include the use of money market funds and money market instruments for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above.

In extraordinary market conditions (such as political unrest, economic instability, war, the bankruptcy of large financial institutions or closure of a relevant market(s)), the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, money market funds, treasury bills, government bonds or short-term money market instruments.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income). The Sub-fund may also use derivatives for investment purposes.

### Comparator Benchmark

The Sub-fund does not use a comparator, constraining or target benchmark to assess performance. Performance may be assessed by considering the extent to which the Sub-fund has met its investment objective. The Sub-fund's returns will be published on [www.7im.co.uk](http://www.7im.co.uk).

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 5.62%<sup>1</sup>.

#### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup> Calculated using 7IM Pathbuilder 2 Fund C Acc shares, published prices. Source: NTRS.

## 7IM PATHBUILDER 2 FUND

### ACD'S REPORT (continued) for the period ended 30 November 2024

#### Investment Manager's Report (continued)

##### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

##### Portfolio Review

Our Pathbuilder funds are the most passively managed funds that we run. As a result, we only make changes to them once a year in line with our SAA process.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in a small increase in equity exposure, maintaining credit exposure, and reducing duration slightly.

## 7IM PATHBUILDER 2 FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM PATHBUILDER 2 FUND

### FUND INFORMATION

The Comparative Tables on pages 103 to 104 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.



# 7IM PATHBUILDER 2 FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	103.89	96.63	98.82
Return before operating charges*	6.11	10.42	0.14
Operating charges (calculated on average price)	(0.18)	(0.35)	(0.34)
Return after operating charges*	5.93	10.07	(0.20)
Distributions on income shares	(0.93)	(2.81)	(1.99)
Closing net asset value per share	108.89	103.89	96.63
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	5.71%	10.42%	(0.20)%
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#### Other Information

Closing net asset value (£'000)	4,485	2,772	1,616
Closing number of shares	4,119,198	2,668,625	1,672,635
Operating charges <sup>3</sup>	0.34%	0.35%	0.35%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	109.91	107.57	100.59
Lowest share price	103.74	94.90	91.01

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 105.

# 7IM PATHBUILDER 2 FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	111.21	100.62	100.81
Return before operating charges*	6.54	10.96	0.16
Operating charges (calculated on average price)	(0.20)	(0.37)	(0.35)
Return after operating charges*	6.34	10.59	(0.19)
Distributions	(0.99)	(2.95)	(2.04)
Retained distributions on accumulation shares	0.99	2.95	2.04
Closing net asset value per share	117.55	111.21	100.62
* After direct transaction costs of: <sup>1</sup>	0.00	0.00	0.00

#### Performance

Return after charges <sup>2</sup>	5.70%	10.52%	(0.19)%
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#### Other Information

Closing net asset value (£'000)	106,582	71,446	47,693
Closing number of shares	90,668,518	64,245,298	47,399,770
Operating charges <sup>3</sup>	0.34%	0.35%	0.35%
Direct transaction costs	0.00%	0.00%	0.00%

#### Prices

Highest share price	117.65	113.45	102.91
Lowest share price	111.04	98.82	92.84

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 105.

## 7IM PATHBUILDER 2 FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.07%
Ongoing Charges Figure	<hr/> 0.34%

As at 31 May 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.08%
Ongoing Charges Figure	<hr/> 0.35%

<sup>1</sup> Other expenses is capped at 0.05%.

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.

7IM PATHBUILDER 2 FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was four. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	Since Launch
7IM Pathbuilder 2 Fund <sup>1,2</sup>	5.62	13.99	9.55	23.88

<sup>1</sup> Source: Bloomberg.

<sup>2</sup> The Sub-fund launched on 9 December 2020.

The performance of the Sub-fund is based on the published price per 'C' Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 111.

# 7IM PATHBUILDER 2 FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>ALTERNATIVES 1.90% (1.86%)<sup>1</sup></b>		
	<b>Alternative Strategies 1.90% (1.86%)<sup>1</sup></b>		
2,579,000	JP Morgan Structured Products 0.00% 06/07/2027 <sup>2</sup>	2,113,811	1.90
	<b>FUTURES CONTRACTS -0.05% (0.03%)<sup>1</sup></b>		
	<b>United States -0.05% (0.03%)<sup>1</sup></b>		
130	MSCI Emerging Markets Index Futures December 2024	(59,568)	(0.05)
	<b>FORWARD CURRENCY CONTRACTS -0.04% (0.03%)<sup>1</sup></b>		
US\$(1,700,000)	Vs £1,334,361 Expiry 10.01.2025	(4,457)	—
US\$(5,100,000)	Vs £3,972,863 Expiry 10.01.2025	(43,591)	(0.04)
		<b>(48,048)</b>	<b>(0.04)</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 90.08% (90.90%)<sup>1</sup></b>		
	<b>Ireland 17.00% (35.43%)<sup>1</sup></b>		
6,622,114	BNY Mellon Global - BNY Mellon Efficient Global High Yield Beta Fund	7,593,578	6.84
862,491	HSBC Global Funds ICAV - Global Government Bond Index Fund	6,508,975	5.86
191,821	iShares Global Inflation-Linked Bond Index	2,161,947	1.95
2,485,020	Legal & General Emerging Markets Government Bond USD Index Fund	2,608,774	2.35
		<b>18,873,274</b>	<b>17.00</b>
	<b>Luxembourg 3.89% (4.01%)<sup>1</sup></b>		
41,254	Lyxor Core UK Government Bond (DR) UCITS ETF	4,320,531	3.89
	<b>United Kingdom 67.42% (49.65%)<sup>1</sup></b>		
522,056	Amundi MSCI Japan ESG Climate Net Zero Ambition CTB UCITS ETF	5,627,764	5.07
8,769,458	Fidelity Investment Funds ICVC - Index UK Fund	16,189,296	14.57
651,896	HSBC Index Tracker Investment Funds - European Index Fund	8,728,884	7.86
11,400,729	iShares ESG Overseas Corporate Bond Index Fund (UK)	13,313,954	11.98
1,683,899	iShares Global Property Securities Index	4,254,886	3.83
3,116,132	iShares UK Equity Index Fund UK	3,752,500	3.38
17,715,399	iShares US Equity ESG Index Fund UK	20,267,036	18.24
4,125,436	Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc	2,765,280	2.49
		<b>74,899,600</b>	<b>67.42</b>
	<b>United States 1.77% (1.81%)<sup>1</sup></b>		
27,224	Invesco MSCI USA ESG Universal Screened UCITS ETF	1,961,217	1.77
	<b>Portfolio of investment</b>	<b>102,060,817</b>	<b>91.89</b>
	Net other assets <sup>3</sup>	9,006,310	8.11
	<b>Net assets</b>	<b>111,067,127</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Structured product.

<sup>3</sup> Includes shares in the Deutsche Global Liquidity Managed Sterling Fund Platinum to the value of £4,000,000 which is shown as Cash equivalents in the Balance Sheet of the Sub-fund.

## 7IM PATHBUILDER 2 FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains		4,130,786		552,627
Revenue	1,119,071		763,861	
Expenses	(122,390)		(58,073)	
Interest payable and similar charges	(341)		(835)	
Net revenue before taxation for the period	996,340		704,953	
Taxation	(162,302)		(96,580)	
Net revenue after taxation for the period		834,038		608,373
<b>Total return before distributions</b>		4,964,824		1,161,000
Distributions		(834,447)		(608,629)
<b>Change in net assets attributable to shareholders from investment activities</b>		4,130,377		552,371

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		74,217,740		49,309,289
Amounts received on creation of shares <sup>1</sup>	46,974,255		1,903,150	
Amounts paid on cancellation of shares <sup>1</sup>	(15,156,671)		(5,617,219)	
		31,817,584		(3,714,069)
Change in net assets attributable to shareholders from investment activities		4,130,377		552,371
Retained distribution on accumulation shares		901,426		572,261
<b>Closing net assets attributable to shareholders</b>		111,067,127		46,719,852

<sup>1</sup> Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

## 7IM PATHBUILDER 2 FUND

### BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	102,168,433	68,886,389
Current assets:		
Debtors	710,006	4,587,863
Cash and bank balances	5,643,654	1,567,297
Cash equivalents	4,000,000	4,000,000
<b>Total assets</b>	<b>112,522,093</b>	<b>79,041,549</b>
<b>LIABILITIES</b>		
Investment liabilities	(107,616)	–
Creditors:		
Bank overdrafts	–	(25)
Distribution payable	(38,247)	(41,366)
Other creditors	(1,309,103)	(4,782,418)
<b>Total liabilities</b>	<b>(1,454,966)</b>	<b>(4,823,809)</b>
<b>Net assets attributable to shareholders</b>	<b>111,067,127</b>	<b>74,217,740</b>

## 7IM PATHBUILDER 2 FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.



## 7IM PATHBUILDER 2 FUND

### DISTRIBUTION TABLES

for the period ended 30 November 2024

#### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	0.9285	—	0.9285	1.2628
Group 2	0.5634	0.3651	0.9285	1.2628

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	0.9942	—	0.9942	1.3134
Group 2	0.6181	0.3761	0.9942	1.3134

#### Equalisation

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. After averaging 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.

# 7IM PATHBUILDER 3 FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The 7IM Pathbuilder 3 Fund (the 'Sub-fund') aims to provide a return of capital and income over the medium to longer term (5 years or more) consistent with its risk profile (as described in the Investment Strategy section in the Prospectus).

The Sub-fund's investments and the proportion of its exposure to them will be determined by its risk profile in accordance with its banding (as further described in the Investment Strategy and Benchmark sections in the Prospectus). The Sub-fund is in the upper end of the Pathbuilder Funds' risk range.

The Sub-fund is able to have an exposure of 44% to 84% of its assets to equities and 14% to 54% to fixed interest securities (including cash gilts and global corporate bonds), primarily through indirect exposure which may be investment grade or sub-investment grade. These exposures are, however, expected to typically be around the middle of the stated ranges.

This exposure will be generated by indirect investment through collective investment schemes (which may include schemes managed by the ACD or an associate of the ACD), investment trusts, exchange traded funds, or through derivative investments (in this way, the Sub-fund may gain exposure to asset classes such as property, commodities and private equity); and/or direct investment in a range of investment grade corporate and government bonds and warrants, and may also be achieved through the use of futures contracts which require cover to be held (typically in the form of money market funds and money market instruments).

It is expected that collective investment schemes and exchange traded funds held by the Sub-fund will generally be managed in accordance with passive strategies designed to track the performance of particular indices, market sectors or asset classes.

Up to 20% of the Sub-Fund will be invested in assets such as cash and deposits, and may also include the use of money market funds and money market instruments for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above.

In extraordinary market conditions (such as political unrest, economic instability, war, the bankruptcy of large financial institutions or closure of a relevant market(s)), the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, money market funds, Treasury bills, government bonds or short-term money market instruments.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income). The Sub-fund may also use derivatives for investment purposes.

### Comparator Benchmark

The Sub-fund does not use a comparator, constraining or target benchmark to assess performance. Performance may be assessed by considering the extent to which the Sub-fund has met its investment objective. The Sub-fund's returns will be published on [www.7im.co.uk](http://www.7im.co.uk).

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 6.30%<sup>1</sup>.

#### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup>Calculated using 7IM Pathbuilder 3 Fund C Acc shares, published prices. Source: NTRS.

## 7IM PATHBUILDER 3 FUND

### ACD'S REPORT (continued) for the period ended 30 November 2024

#### Investment Manager's Report (continued)

##### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

##### Portfolio Review

Our Pathbuilder funds are the most passively managed funds that we run. As a result, we only make changes to them once a year in line with our SAA process.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in a small increase in equity exposure, maintaining credit exposure, and reducing duration slightly.

## 7IM PATHBUILDER 3 FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM PATHBUILDER 3 FUND

### FUND INFORMATION

The Comparative Tables on pages 116 to 117 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM PATHBUILDER 3 FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	111.52	101.89	102.55
Return before operating charges*	7.29	12.58	1.68
Operating charges (calculated on average price)	(0.20)	(0.37)	(0.35)
Return after operating charges*	7.09	12.21	1.33
Distributions on income shares	(0.67)	(2.58)	(1.99)
Closing net asset value per share	117.94	111.52	101.89
* After direct transaction costs of: <sup>1</sup>	0.00	(0.01)	0.00

### Performance

Return after charges <sup>2</sup>	6.36%	11.98%	1.30%
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### Other Information

Closing net asset value (£'000)	4,230	2,518	583
Closing number of shares	3,586,925	2,257,935	572,565
Operating charges <sup>3</sup>	0.34%	0.34%	0.35%
Direct transaction costs	0.00%	(0.01)%	0.00%

### Prices

Highest share price	118.78	115.60	105.32
Lowest share price	109.88	100.24	95.14

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 118.

# 7IM PATHBUILDER 3 FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	118.49	105.73	104.35
Return before operating charges*	7.75	13.14	1.74
Operating charges (calculated on average price)	(0.21)	(0.38)	(0.36)
Return after operating charges*	7.54	12.76	1.38
Distributions	(0.71)	(2.69)	(2.04)
Retained distributions on accumulation shares	0.71	2.69	2.04
Closing net asset value per share	126.03	118.49	105.73
* After direct transaction costs of: <sup>1</sup>	0.00	(0.01)	0.00

#### Performance

Return after charges <sup>2</sup>	6.36%	12.07%	1.32%
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#### Other Information

Closing net asset value (£'000)	98,780	66,331	34,083
Closing number of shares	78,380,333	55,978,796	32,236,934
Operating charges <sup>3</sup>	0.34%	0.34%	0.35%
Direct transaction costs	0.00%	(0.01)%	0.00%

#### Prices

Highest share price	126.20	121.18	107.98
Lowest share price	116.75	104.02	96.81

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 118.

## 7IM PATHBUILDER 3 FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.07%
Ongoing Charges Figure	<hr/> 0.34%

As at 31 May 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.07%
Ongoing Charges Figure	<hr/> 0.34%

<sup>1</sup> Other expenses was capped at 0.05%.

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.



7IM PATHBUILDER 3 FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was five. The risk and reward rating remain the same from the last reporting period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	3 years	Since Launch
7IM Pathbuilder 3 Fund <sup>1, 2</sup>	6.30	16.23	14.83	25.96

<sup>1</sup> Source: Bloomberg.

<sup>2</sup> The Sub-fund launched on 9 December 2020.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 124.

# 7IM PATHBUILDER 3 FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>FUTURES CONTRACTS -0.09% (0.06%)<sup>1</sup></b>		
	<b>United States -0.09% (0.06%)<sup>1</sup></b>		
190	MSCI Emerging Markets Index Futures December 2024	(95,019)	(0.09)
	<b>FORWARD CURRENCY CONTRACTS 0.01% (-0.03%)<sup>1</sup></b>		
US\$1,600,000	Vs £(1,245,932) Expiry 10.01.2025	14,132	0.01
	<b>COLLECTIVE INVESTMENT SCHEMES 89.20% (89.02%)<sup>1</sup></b>		
	<b>Ireland 8.16% (26.38%)<sup>1</sup></b>		
1,667,819	BNY Mellon Global - BNY Mellon Efficient Global High Yield Beta Fund	1,912,488	1.86
676,474	HSBC Global Funds ICAV - Global Government Bond Index Fund	5,105,159	4.95
1,321,460	Legal & General Emerging Markets Government Bond USD Index Fund	1,387,268	1.35
		<b>8,404,915</b>	<b>8.16</b>
	<b>Japan 0.00% (9.01%)<sup>1</sup></b>		
	<b>Luxembourg 2.00% (1.95%)<sup>1</sup></b>		
19,702	Lyxor Core UK Government Bond (DR) UCITS ETF	2,063,390	2.00
	<b>United Kingdom 71.15% (43.89%)<sup>1</sup></b>		
872,325	Amundi MSCI Japan ESG Climate Net Zero Ambition CTB UCITS ETF	9,403,664	9.13
8,086,791	Fidelity Investment Funds ICVC - Index UK Fund	14,929,025	14.49
927,387	HSBC Index Tracker Investment Funds - European Index Fund	12,417,713	12.05
4,339,423	iShares ESG Overseas Corporate Bond Index Fund (UK)	5,067,648	4.92
1,562,133	iShares Global Property Securities Index	3,947,207	3.83
6,421,479	iShares UK Equity Index Fund UK	7,732,854	7.51
15,958,659	iShares US Equity ESG Index Fund UK	18,257,263	17.73
2,286,379	Legal & General Emerging Markets Government Bond Local Currency Index Fund Acc	1,532,560	1.49
		<b>73,287,934</b>	<b>71.15</b>
	<b>United States 7.89% (7.79%)<sup>1</sup></b>		
112,840	Invesco MSCI USA ESG Universal Screened UCITS ETF	8,128,994	7.89
	<b>Portfolio of investment</b>	<b>91,804,346</b>	<b>89.12</b>
	Net other assets <sup>2</sup>	11,205,400	10.88
	<b>Net assets</b>	<b>103,009,746</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Includes shares in the Deutsche Global Liquidity Managed Sterling Fund to the value of £7,000,000 which is shown as Cash equivalents in the Balance Sheet of the Sub-fund.

## 7IM PATHBUILDER 3 FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains		4,656,946		527,103
Revenue	697,459		454,567	
Expenses	(111,684)		(40,293)	
Interest payable and similar charges	(513)		(1,077)	
Net revenue before taxation for the period	585,262		413,197	
Taxation	(73,259)		(58,596)	
Net revenue after taxation for the period		512,003		354,601
<b>Total return before distributions</b>		5,168,949		881,704
Distributions		(512,174)		(354,744)
<b>Change in net assets attributable to shareholders from investment activities</b>		4,656,775		526,960

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		68,848,959		34,666,384
Amounts received on creation of shares <sup>1</sup>	39,783,471		5,682,611	
Amounts paid on cancellation of shares <sup>1</sup>	(10,835,097)		(6,559,143)	
		28,948,374		(876,532)
Change in net assets attributable to shareholders from investment activities		4,656,775		526,960
Retained distribution on accumulation shares		555,638		346,216
<b>Closing net assets attributable to shareholders</b>		103,009,746		34,663,028

<sup>1</sup> Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.

## 7IM PATHBUILDER 3 FUND

### BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	91,899,365	61,344,923
Current assets:		
Debtors	2,236,958	1,430,284
Cash and bank balances	3,499,074	2,903,243
Cash equivalents	7,000,000	5,000,000
<b>Total assets</b>	<b>104,635,397</b>	<b>70,678,450</b>
<b>LIABILITIES</b>		
Investment liabilities	(95,019)	(35,331)
Creditors:		
Distribution payable	(23,918)	(34,305)
Other creditors	(1,506,714)	(1,759,855)
<b>Total liabilities</b>	<b>(1,625,651)</b>	<b>(1,829,491)</b>
<b>Net assets attributable to shareholders</b>	<b>103,009,746</b>	<b>68,848,959</b>

## 7IM PATHBUILDER 3 FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

## 7IM PATHBUILDER 3 FUND

### DISTRIBUTION TABLES

for the period ended 30 November 2024

#### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	0.6668	—	0.6668	1.0588
Group 2	0.3383	0.3285	0.6668	1.0588

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	0.7089	—	0.7089	1.0994
Group 2	0.4243	0.2846	0.7089	1.0994

#### Equalisation

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. After averaging 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.

# 7IM PATHBUILDER 4 FUND

## ACD'S REPORT

for the period ended 30 November 2024

### Investment Objective and Policy

The 7IM Pathbuilder 4 Fund (the 'Sub-fund') aims to provide a return of capital and income over the medium to longer term (5 years or more) consistent with its risk profile (as described in the Investment Strategy section in the Prospectus).

The Sub-fund's investments and the proportion of its exposure to them will be determined by its risk profile in accordance with its banding (as further described in the Investment Strategy and Benchmark sections in the Prospectus). 7IM Pathbuilder 4 Fund is at the highest end of the Pathbuilder Funds' risk range.

The Sub-fund is able to have an exposure of 73% to 100% of its assets to equities and 0% to 25% to fixed interest securities (including cash gilts and global corporate bonds), primarily through indirect exposure which may be investment grade or sub-investment grade. These exposures are, however, expected to typically be around the middle of the stated ranges.

This exposure will be generated by: indirect investment through collective investment schemes (which may include schemes managed by the ACD or an associate of the ACD), investment trusts, exchange traded funds, or through derivative investments (in this way, the Sub-fund may gain exposure to asset classes such as property, commodities and private equity); and/or direct investment in a range of investment grade corporate and government bonds and warrants, and may also be achieved through the use of futures contracts which require cover to be held (typically in the form of money market funds and money market instruments).

It is expected that collective investment schemes and exchange traded funds held by the Sub-fund will generally be managed in accordance with passive strategies designed to track the performance of particular indices, market sectors or asset classes.

Up to 20% of the Sub-fund will be invested in assets such as cash and deposits, and may also include the use of money market funds and money market instruments for more general liquidity purposes. This is additional to the holding of such assets as cover for futures contracts as noted above. In extraordinary market conditions (such as political unrest economic instability, war, the bankruptcy of large financial institutions or closure of a relevant market(s)), the Sub-fund may temporarily invest up to 100% of its total assets in deposits, cash, near cash, money market funds, treasury bills, government bonds or short-term money market instruments.

The Sub-fund will invest in derivatives for efficient portfolio management (EPM) (i.e. to reduce risk or cost and, or to generate extra income). The Sub-fund may also invest in derivatives for investment purposes.

### Comparator Benchmark

The Sub-fund does not use a comparator, constraining or target benchmark to assess performance. Performance may be assessed by considering the extent to which the Sub-fund has met its investment objective. The Sub-fund's returns will be published on [www.7im.co.uk](http://www.7im.co.uk).

### Investment Manager's Report

#### Performance Report

In the reporting period, 1 June 2024 to 30 November 2024, the portfolio delivered a total return of 6.63%<sup>1</sup>.

#### Investment Background

June 2024 proved to be a busy month, with markets sensitive to geopolitical and macroeconomic events. Continued risks and fears across Eastern Europe and the Middle East weighed on investor sentiment, with investors looking for safe havens such as Gold, which continued to perform well. Despite a slowdown in US economic growth, equity markets continued their extraordinary growth path, led by the Magnificent 7 and equity businesses caught up in the AI boom. For fixed income, bond yields remained steady as the impacts of sticky inflation continued to give central banks food for thought in their rate cutting journey.

July 2024 saw a reversal of the 2024 trend of large cap tech dominance. Small caps and unloved sectors of the market such as Real Estate and banks rallied significantly, supported by market optimism around central banks embarking on the beginning of their rate cutting cycle. The shift to Small Caps saw the Russell 2000 steam ahead, while communication and IT sectors reversed some of their June gains. In the UK, we saw modest returns because of resilient earnings and strong dividend yields. Europe however remained a concern with continued economic weakness and political uncertainty, notably in France.

<sup>1</sup> Calculated using 7IM Pathbuilder 4 Fund C Acc shares, published prices. Source: NTRS.

## 7IM PATHBUILDER 4 FUND

### ACD'S REPORT (continued) for the period ended 30 November 2024

#### Investment Manager's Report (continued)

##### Investment Background (continued)

August 2024 showed the resilience of equity markets. Despite some initial volatility, as a result of shifting monetary policy in Japan, leading to an impactful unwinding of the Yen carry trade, markets finished the month positively across all markets. In the UK, we saw a strong rally with the Bank of England cutting rates by 25 basis points, providing fuel for those rate sensitive sectors. Soft labour data and rising unemployment in the US proved to provide continued food for thought for the Fed, with the market pricing an incoming rate cut with this evidence of economic weakness. Despite weak data, equity markets continued their upward trajectory, with healthcare and consumer staples providing the bulk of returns amid strong sector earnings.

Optimism was the phrase to describe markets in September 2024. Inflation globally began to show strong signs that it was on a downward path, providing markets with the hope of a potential soft landing and support central banks continuing their rate cutting cycles. Overall, global developed markets were steady in a month of monetary policy changes and some consumer uncertainty. In the US, weak data seen in August provided enough evidence for them to cut rates by 50bps, with a view to help limit any possibility of a downturn. We did see a last-minute boost in the emerging market space, with Chinese stocks leading the way in the wake of heightened stimulus being announced by the Chinese Government. Over the second half of September, Chinese stocks returned 25% to investors who had experienced some pain in holding businesses in the region.

In October 2024, market noise was dominated by the US election and UK budget, which both weighed on investor sentiment. Despite reaching all-time highs during the month, the S&P 500 remained flat, with uncertain growth projections for the "Magnificent 7" offset by strong earnings in financials. In the UK, the budget proved the key point for investors to ponder, with increased borrowing and announced tax rises led to some short-term weakness in the region.

In November 2024, despite the noise of elections, US markets finished the month on a positive footing following Donald Trump's election to the White House. US equities surged, with the S&P 500 gaining 5.9% and reaching a record high above 6,000 points. Small-cap stocks, saw exceptional gains, with hopes of 2016 style deregulation boosting investor confidence. Investor confidence was driven by expectations of pro-business policies under the new administration, including deregulation and tax cuts. However, global markets struggled as a result due to trade concerns amid some potential policy introductions by Trump, which could hamper global growth.

##### Portfolio Review

Our Pathbuilder funds are the most passively managed funds that we run. As a result, we only make changes to them once a year in line with our SAA process.

In July 2024, we refreshed our SAA in line with its annual schedule. This is led by an optimisation process that maps asset classes onto risk factors in order to create optimal portfolios for each risk profile. This year's process resulted in a small increase in US equity exposure, reducing UK Equity exposure slightly.



## 7IM PATHBUILDER 4 FUND

**ACD'S REPORT** (continued)  
for the period ended 30 November 2024

### **Investment Manager's Report** (continued)

#### **Investment Outlook**

Interest rates will be key to what happens next. If rates stay where they are, this will eventually weigh down on the US economy. The labour market cannot remain immune indefinitely which will lead the Fed to react particularly aggressively.

However, the recent US election result has made things complicated. The Republican sweep implies some fiscal loosening may be forthcoming, but the scale and timing are less certain. This, at the very least, has led bond markets to unwind expectations of a downturn or even a Fed cutting cycle. Alongside this, we've seen a rally in financials and US small caps. The 2016 Trump trade looks to be repeating itself.

However, given interest rates are already elevated, it's still likely that interest rates are close to peaking, and the Fed's path will continue to push rates down to 3.5% by end-2025 unless there is material change in outlook. Positioning for this within equities as well as bonds and currencies will be crucial.

The main risk to this view is that US rates stay higher as the US economy continues to remain resilient, leaving rates where they are. The Trump election has increased this probability.

However, this world has quickly been priced in. Putting it together, we don't anticipate material downside to portfolios if this world continues from here. But we do see material upside if we see even a minor relief in rates and market rotation.

Traditional economic cycles have been neglected over the last decade as the world whipsawed from one economic crisis to another.

However, 2024 has shown that the world is beginning to revert to the market dynamics of a traditional economic cycle.

Economic cycles are much like a flight on an aeroplane, or more accurately, like the life of a duck. For short periods, you will be flying or ducking under the water to find food. But in the main, you will be gliding along the surface:

We think our portfolios are extremely well positioned for a "normalisation" in markets.

As a result of Central Banks embarking on rate cutting cycles, market leadership will rotate towards a broader set of markets, sectors and asset classes.

This leaves us confident that our positioning is well placed for the coming year across our funds:

A diversified portfolio remains the key for long term returns.

- Thinking differently about US equity exposure (healthcare and put selling)
- Equal weight is a direct beneficiary of market rotation
- US and UK Government bonds remain attractive

Alternatives continue to provide cash plus returns, but also some volatility protection.

Seven Investment Management LLP  
Investment Manager  
December 2024

## 7IM PATHBUILDER 4 FUND

### FUND INFORMATION

The Comparative Tables on pages 129 to 130 give the performance of each active share class in the Sub-fund.

The 'Return after charges' disclosed in the Comparative Tables is calculated as the return after operating charges per share divided by the opening net asset value per share. It differs from the Sub-fund's performance disclosed in the ACD's report, which is calculated based on the latest published price.

Portfolio transaction costs are incurred when investments are bought or sold by a Sub-fund in order to achieve the investment objective. These transaction costs affect an investor in different ways depending on whether they are joining, leaving or continuing with their investment in the Sub-fund.

Direct transaction costs include broker commission and taxes. Broker commission includes the fee paid to a broker to execute the trades.

In addition, there are indirect portfolio transaction costs arising from the 'dealing spread' – the difference between the buying and selling prices of underlying investments in the portfolio. Unlike shares whereby broker commissions and stamp duty are paid by the Sub-fund on each transaction, other types of investments (such as bonds, money instruments, derivatives) do not have separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads vary considerably depending on the transaction value and money market sentiment.

# 7IM PATHBUILDER 4 FUND

## FUND INFORMATION (continued)

### Comparative Tables

#### Class C Income

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	106.91	96.10	96.22
Return before operating charges*	7.31	13.55	2.06
Operating charges (calculated on average price)	(0.18)	(0.34)	(0.32)
Return after operating charges*	7.13	13.21	1.74
Distributions on income shares	(0.38)	(2.40)	(1.86)
Closing net asset value per share	113.66	106.91	96.10
* After direct transaction costs of: <sup>1</sup>	(0.01)	(0.01)	0.00

#### Performance

Return after charges <sup>2</sup>	6.67%	13.75%	1.81%
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#### Other Information

Closing net asset value (£'000)	4,757	4,341	3,280
Closing number of shares	4,185,279	4,060,487	3,413,374
Operating charges <sup>3</sup>	0.33%	0.34%	0.34%
Direct transaction costs	(0.01)%	(0.01)%	0.00%

#### Prices

Highest share price	114.95	111.00	99.91
Lowest share price	98.70	94.42	89.70

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 131.

# 7IM PATHBUILDER 4 FUND

## FUND INFORMATION (continued)

### Comparative Tables (continued)

#### Class C Accumulation

	30.11.24 (pence per share)	31.05.24 (pence per share)	31.05.23 (pence per share)
<b>Change in Net Asset Value Per Share</b>			
Opening net asset value per share	112.47	98.78	97.01
Return before operating charges*	7.70	14.05	2.10
Operating charges (calculated on average price)	(0.19)	(0.36)	(0.33)
Return after operating charges*	7.51	13.69	1.77
Distributions	(0.41)	(2.48)	(1.89)
Retained distributions on accumulation shares	0.41	2.48	1.89
Closing net asset value per share	119.98	112.47	98.78
* After direct transaction costs of: <sup>1</sup>	(0.02)	(0.01)	0.00

#### Performance

Return after charges <sup>2</sup>	6.68%	13.86%	1.82%
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#### Other Information

Closing net asset value (£'000)	75,024	29,192	12,160
Closing number of shares	62,527,698	25,954,728	12,309,583
Operating charges <sup>3</sup>	0.33%	0.34%	0.34%
Direct transaction costs	(0.01)%	(0.01)%	0.00%

#### Prices

Highest share price	121.34	115.32	101.53
Lowest share price	102.54	97.06	90.44

<sup>1</sup> Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution adjustments or dilution levies that relate to direct transaction costs. A negative transaction costs figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases. Direct transaction costs cover a six-month period to 30 November 2024.

<sup>2</sup> The return after charges is calculated as the return after operating charges per share divided by the opening net asset value per share.

<sup>3</sup> Operating charges, otherwise known as the OCF is the ratio of the Sub-fund's total disclosable costs (excluding securities lending fees and overdraft interest) to the average net assets of the Sub-fund. The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a sub-fund and is calculated based on the last period's figures. Included within the OCF are synthetic costs which includes the OCF of the underlying funds weighted on the basis of their investment proportion. A detailed breakdown of the OCF per share class is shown on page 131.

## 7IM PATHBUILDER 4 FUND

### FUND INFORMATION (continued)

#### Ongoing Charges Figures

As at 30 November 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.06%
Ongoing Charges Figure	<hr/> 0.33%

As at 31 May 2024

	<b>Class C</b>
ACD's periodic charge	0.22%
Other expenses <sup>1</sup>	0.05%
	<hr/> 0.27%
Collective investment scheme costs	0.07%
Ongoing Charges Figure	<hr/> 0.34%

<sup>1</sup> Other expenses was capped at 0.05%.

The Ongoing Charges Figure ('OCF') represents the total operating expenses of the Sub-fund, expressed as a percentage of the average net assets during the accounting period.

The collective investment scheme costs represent the OCFs, or a reasonable substitute, of the underlying funds which are held as portfolio investments. Their inclusion has been calculated on a weighted basis against the Sub-fund's net assets at the balance sheet date.

The Sub-fund undertakes securities lending and receives 70% of the revenue generated and the remaining 30% is received by Northern Trust as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Sub-fund, this has been excluded from the Other expenses and thus excluded from the Ongoing Charges Figures.

7IM PATHBUILDER 4 FUND

FUND INFORMATION (continued)

Synthetic Risk and Reward Indicator



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

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Sub-fund. The risk and reward profile shown is not guaranteed to remain the same and may change over time.

The risk and reward indicator shown above is as at the date of publication of the interim report and financial statements, the risk and reward indicator as at the period end date 30 November 2024 was five. The risk and reward remains the same as last period.

Fund performance to 30 November 2024 (%)

	6 months	1 year	Since Launch
7IM Pathbuilder 4 Fund <sup>1</sup>	6.63	18.37	19.90

<sup>1</sup> Source: Bloomberg.

The performance of the Sub-fund is based on the published price per ‘C’ Accumulation share which includes reinvested income.

Details of the distributions per share for the period are shown in the Distribution Tables on page 137.

# 7IM PATHBUILDER 4 FUND

## PORTFOLIO STATEMENT

as at 30 November 2024

		Value £	30.11.24 %
<b>Holding</b>	<b>Portfolio of Investment</b>		
	<b>FUTURES CONTRACTS -0.23% (0.03%)<sup>1</sup></b>		
	<b>United States -0.23% (0.03%)<sup>1</sup></b>		
184	MSCI ICUS Emerging Futures December 2024	(181,331)	(0.23)
	<b>FORWARD CURRENCY CONTRACTS 0.19% (-0.04%)<sup>1</sup></b>		
¥31,000,000	Vs £(160,126) Expiry 16.05.2025	5,893	0.01
US\$1,950,000	Vs £(1,469,843) Expiry 10.01.2025	65,859	0.09
US\$4,950,000	Vs £(3,854,603) Expiry 10.01.2025	43,720	0.05
US\$2,000,000	Vs £(1,542,253) Expiry 10.01.2025	32,827	0.04
		<b>148,299</b>	<b>0.19</b>
	<b>COLLECTIVE INVESTMENT SCHEMES 86.74% (86.75%)<sup>1</sup></b>		
	<b>Europe (ex UK) 14.77% (14.95%)<sup>1</sup></b>		
880,248	HSBC Index Tracker Investment Funds - European Index Fund	11,786,516	14.77
	<b>Ireland 0.00% (17.67%)<sup>1</sup></b>		
	<b>Japan 10.94% (10.97%)<sup>1</sup></b>		
809,591	Amundi MSCI Japan ESG Climate Net Zero Ambition CTB UCITS ETF	8,727,391	10.94
	<b>North America 12.87% (12.72%)<sup>1</sup></b>		
142,571	Invesco MSCI USA ESG Universal Screened UCITS ETF	10,270,815	12.87
	<b>United Kingdom 48.16% (30.44%)<sup>1</sup></b>		
4,254,482	Fidelity Investment Funds ICVC - Index UK Fund	7,854,199	9.84
1,500,743	iShares Global Property Securities Index	3,792,086	4.75
10,527,716	iShares UK Equity Index Fund UK	12,677,655	15.89
12,319,399	iShares US Equity Esg Index Fund UK	14,093,823	17.68
		<b>38,417,763</b>	<b>48.16</b>
	<b>Portfolio of investment</b>	<b>69,169,453</b>	<b>86.70</b>
	Net other assets <sup>2</sup>	10,611,199	13.30
	<b>Net assets</b>	<b>79,780,652</b>	<b>100.00</b>

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

<sup>1</sup> Comparative figures shown in brackets relate to 31 May 2024.

<sup>2</sup> Includes shares in the Deutsche Global Liquidity Managed Sterling Fund Platinum to the value of £7,000,000 which are shown as Cash equivalents in the Balance Sheet of the Sub-fund.

## 7IM PATHBUILDER 4 FUND

### STATEMENT OF TOTAL RETURN

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
Income				
Net capital gains		3,254,271		243,609
Revenue	273,374		198,708	
Expenses	(68,855)		(17,523)	
Interest payable and similar charges	(308)		(821)	
Net revenue before taxation for the period	204,211		180,364	
Taxation	(10,631)		(8,668)	
Net revenue after taxation for the period		193,580		171,696
<b>Total return before distributions</b>		3,447,851		415,305
Distributions		(193,529)		(171,687)
<b>Change in net assets attributable to shareholders from investment activities</b>		3,254,322		243,618

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

for the period ended 30 November 2024

		30.11.24		30.11.23
	£	£	£	£
<b>Opening net assets attributable to shareholders</b>		33,532,739		15,439,943
Amounts received on creation of shares <sup>1</sup>	52,126,669		1,799,953	
Amounts paid on cancellation of shares <sup>1</sup>	(9,396,305)		(813,784)	
		42,730,364		986,169
Dilution levy		6,863		—
Change in net assets attributable to shareholders from investment activities		3,254,322		243,618
Retained distribution on accumulation shares		256,364		139,844
<b>Closing net assets attributable to shareholders</b>		79,780,652		16,809,574

<sup>1</sup>Stated at mid-market price. The mid-market price is calculated using the midpoint of the bid and offer rates.

The difference between the opening net assets and the comparative closing net assets is the movement in the second half of the year.



# 7IM PATHBUILDER 4 FUND

## BALANCE SHEET

as at 30 November 2024

	30.11.24 £	31.05.24 £
<b>ASSETS</b>		
Fixed assets:		
Investments	69,350,784	29,111,887
Current assets:		
Debtors	2,089,155	1,103,339
Cash and bank balances	2,838,648	613,032
Cash equivalents	7,000,000	3,400,000
<b>Total assets</b>	<b>81,278,587</b>	<b>34,228,258</b>
<b>LIABILITIES</b>		
Investment liabilities	(181,331)	(26,017)
Creditors:		
Bank overdrafts	—	—
Distribution payable	(16,105)	(54,626)
Other creditors	(1,300,499)	(614,876)
<b>Total liabilities</b>	<b>(1,497,935)</b>	<b>(695,519)</b>
<b>Net assets attributable to shareholders</b>	<b>79,780,652</b>	<b>33,532,739</b>

## 7IM PATHBUILDER 4 FUND

### NOTE TO THE FINANCIAL STATEMENTS

for the period ended 30 November 2024

#### **Accounting Policies**

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 May 2024 and are described in those financial statements.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP), and amended in June 2017, the Collective Investment Schemes Sourcebook ("the COLL Rules") and the Instrument of Incorporation.

## 7IM PATHBUILDER 4 FUND

### DISTRIBUTION TABLES

for the period ended 30 November 2024

#### Interim - in pence per share

Group 1 - Shares purchased prior to 1 June 2024

Group 2 - Shares purchased on or after 1 June 2024 and on or before 30 November 2024

	Net Revenue	Equalisation	Payable 31.01.25	Paid 31.01.24
<b>Class C Income</b>				
Group 1	0.3848	—	0.3848	1.0537
Group 2	0.1224	0.2624	0.3848	1.0537

	Net Revenue	Equalisation	Allocated 31.01.25	Allocated 31.01.24
<b>Class C Accumulation</b>				
Group 1	0.4100	—	0.4100	1.0834
Group 2	0.1920	0.2180	0.4100	1.0834

#### Equalisation

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. After averaging 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.

## 7IM OPPORTUNITY FUNDS

### SECURITIES FINANCING TRANSACTION REGULATION (SFTR) - UNAUDITED

The European Regulation on reporting and transparency of Securities Financing Transaction Regulation ('SFTR'), which aims to improve the transparency and monitoring of the financial system, became effective on 13 January 2016. The SFTR applies to the 7IM Opportunity Funds ('the Company') as a UCITS scheme and requires the ACD to comply with a series of obligations. In particular, the ACD is required to provide investors with information on the use of securities financing transactions ('SFT's) and total return swaps ('TRS') by the Company in all interim and annual reports for the Company published from 13 January 2017.

The following details the SFTR activities of the Sub-funds during the period ended 30 November 2024 as at the balance sheet date.

#### Securities Lending

The Sub-funds of the Company may engage in securities lending activities. During the period ended 30 November 2024, securities lending was not undertaken and as at the period end, 30 November 2024, no securities were on loan for the following Sub-funds.

7IM Real Return Fund  
7IM Select Moderately Cautious Fund  
7IM Select Balanced Fund  
7IM Select Moderately Adventurous Fund  
7IM Select Adventurous Fund  
7IM Pathbuilder 1 Fund  
7IM Pathbuilder 2 Fund  
7IM Pathbuilder 3 Fund  
7IM Pathbuilder 4 Fund

#### Collateral

The Sub-funds of the Company may engage in activities which may require collateral to be provided to a counterparty. As at the period end, 30 November 2024, no collateral arrangements were in place in respect of securities lending transactions for the following Sub-funds.

7IM Real Return Fund  
7IM Select Moderately Cautious Fund  
7IM Select Balanced Fund  
7IM Select Moderately Adventurous Fund  
7IM Select Adventurous Fund  
7IM Pathbuilder 1 Fund  
7IM Pathbuilder 2 Fund  
7IM Pathbuilder 3 Fund  
7IM Pathbuilder 4 Fund

# 7IM OPPORTUNITY FUNDS

## GENERAL INFORMATION

### Head Office

4th Floor  
1 Angel Court  
London EC2R 7HJ

### Address for Service

The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

### Base Currency

The base currency of the Company is Pounds Sterling. Each sub-fund and class is designated in Pounds Sterling.

### Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the net asset values of each of the sub-funds.

### Structure of the Company

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new sub-fund or class of share, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund.

### Classes of Shares

The Company has the following active share classes 'C' Income, 'C' Accumulation, 'D' Accumulation, 'E' Income, 'E' Accumulation and 'S' Income and 'S' Accumulation. The Company can issue any share class in accordance with the Prospectus.

Holders of Income shares are entitled to be paid the income attributable to such shares in respect of each annual or interim accounting period, as applicable to the relevant sub-fund.

Holders of Accumulation shares are not entitled to be paid the income attributable to such shares, but that income is retained and accumulated for the benefit of shareholders and is reflected in the price of shares.

### Valuation Point

The valuation point of the Company is 12:00pm London time on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

### Buying and Selling Shares

The dealing office of the ACD is normally open from 9.00am to 5.30pm London time on each business day. The ACD may vary these times at its discretion. Requests to deal in shares may also be made by telephone on each business day (at the ACD's discretion) between 9.00am and 5.30pm London time directly to the office of the ACD (telephone: 0870 870 7431 or such other number as published from time to time). The initial purchase must, at the discretion of the ACD, be accompanied by an application form.

### Prices

The prices of all shares are published on the ACD's website: [www.7im.co.uk](http://www.7im.co.uk). Alternatively, the prices of all shares may be obtained by calling 0333 300 0354 during the ACD's normal business hours.

# 7IM OPPORTUNITY FUNDS

## GENERAL INFORMATION (continued)

### Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on our website, [www.7im.co.uk](http://www.7im.co.uk).

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

### Data Protection Act

The ACD may transfer your personal information to countries located outside of the EEA. This may happen when the ACD's servers, suppliers and/or service providers are based outside of the EEA. The data protection laws and other laws of these countries may not be as comprehensive as those that apply within the EEA. In these instances, the ACD will take steps to ensure that your privacy rights are respected.

Further information on the circumstances in which we may transfer your personal data and the data protection measures we take are set out in our Privacy Notice.

### Risk Warning

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

### Assessment of value

For each of its sub-funds, Seven Investment Management LLP, will publish an Assessment of Value covering the financial period ended 31 May 2025. These statements will be available on Seven Investment Management's website no later than 30 September 2025.

### Taskforce on Climate related Financial Disclosures (TCFD) Report

In accordance with the Taskforce on Climate related Financial Disclosures (TCFD) requirements, Seven Investment Management LLP has prepared its public TCFD report which is available for investors to read and review at the following website link: <https://www.7im.co.uk/media/usynwc12/7im-task-force-on-climate-related-financial-disclosures-report.pdf>

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