

LF Prudential Investment Funds (1)

INTERIM UNAUDITED REPORT AND FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 30 APRIL 2022



LF Prudential Risk Managed Active 1

LF Prudential Risk Managed Active 2

LF Prudential Risk Managed Active 3

LF Prudential Risk Managed Active 4

LF Prudential Risk Managed Active 5

LF Prudential Risk Managed Passive Fund 1

LF Prudential Risk Managed Passive Fund 2

LF Prudential Risk Managed Passive Fund 3

LF Prudential Risk Managed Passive Fund 4

LF Prudential Risk Managed Passive Fund 5

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ACD'S REPORT

for the half year ended 30 April 2022

Authorised Status

LF Prudential Investment Funds (1) ('the Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000508 and authorised by the Financial Conduct Authority with effect from 8 February 2007. The Company has an unlimited duration.

The Company is a Non-UCITS Retail Scheme and the base currency of the Company and each sub-fund 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.

The AIFM is the legal person appointed on behalf of the Company and which (through this appointment) is responsible for managing the Company in accordance with the AIFM Directive and The Alternative Investment Fund Managers Regulations 2013. This role is performed by the ACD and references to the ACD in this Interim Unaudited Report and Financial Statements include the AIFM as applicable.

ACD's Statement

Economic Uncertainty

The outbreak of COVID-19, declared by the World Health Organisation as a pandemic on 11 March 2020, caused significant disruption to business and economic activity, which was reflected in the fluctuations seen in the global stock markets. In the immediate period following its initial emergence and the global recognition of the seriousness of the pandemic, various national governments sought to provide financial support and stimulus to their economies, which, when combined with the development of effective vaccines to immunise populations around the world, and governments, society and businesses learning to operate in the post COVID-19 world, led to recovery in asset prices. However, whilst effective vaccines are now in use, their long-term effectiveness has yet to be determined, and there will continue to be an element of uncertainty as to the future. How this will translate into future asset pricing remains to be seen.

In the first quarter of 2022, the geopolitical situation started coming into sharp focus, culminating in February 2022 with Russia's incursion into Ukraine. The consequences of this development and the longer-term impact on the global economy are yet to be realised.

It must be recognised that the markets will remain fragile for a period of time and it is reasonably foreseeable that periods of instability, and consequently volatility in asset pricing, will emerge in the coming months.

Important Information

With effect from 1 January 2022, audit fees and all expenses of the auditor have started to be charged to the LF Prudential Risk Managed Passive Fund 2, LF Prudential Risk Managed Passive Fund 4 and LF Prudential Risk Managed Passive Fund 5.

ACD'S REPORT *continued*

Cross Holdings

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

Securities Financing Transactions

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

DIRECTOR'S STATEMENT

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook and the Investment Funds Sourcebook, as applicable, as issued and amended by the Financial Conduct Authority together with the relevant provisions of the Alternative Investment Fund Manager's Directive and modified by a direction given by the Financial Conduct Authority where the ACD has opted to provide a NURS KII Document, a Key Investor Information Document for Non-UCITS Retail Schemes.

N. BOYLING

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Investment Funds (1)

30 June 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 1 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Active 1 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 9%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 9%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in actively managed collective investment schemes. The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a high exposure to lower risk assets such as fixed income assets and cash. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 0-35% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 0-35% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Active 1

30 June 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- China equity increased to gain more exposure to second largest economy in the world
- African equity increased to enhance risk/return
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Asia and Emerging markets bonds increased to add more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- European and Asian property added to bring further diversification
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 1 ACD'S REPORT *continued* FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 1 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	146.44	138.52	138.35	132.03
Return before operating charges*	(7.50)	11.58	2.76	10.31
Operating charges	(0.63)	(1.19)	(1.19)	(1.59)
Return after operating charges	(8.13)	10.39	1.57	8.72
Distributions	–	(2.47)	(1.40)	(2.40)
Closing net asset value per share	138.31	146.44	138.52	138.35
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(5.55)%	7.50%	1.14%	6.60%
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OTHER INFORMATION

Closing net asset value (£'000)	769	821	580	599
Closing number of shares	555,974	560,464	418,595	433,162
Operating charges	0.87%	0.81%	0.86%	1.17%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	148.57	151.18	142.59	141.65
Lowest share price	138.46	138.88	123.02	129.09

LF PRUDENTIAL RISK MANAGED ACTIVE 1
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	170.84	158.89	157.09	147.36
Return before operating charges*	(8.75)	13.31	3.15	11.52
Operating charges	(0.73)	(1.36)	(1.35)	(1.79)
Return after operating charges	(9.48)	11.95	1.80	9.73
Distributions	–	(2.83)	(1.60)	(2.67)
Retained distributions on accumulation shares	–	2.83	1.60	2.67
Closing net asset value per share	161.36	170.84	158.89	157.09
* after direct transaction costs of:	0.01	0.02	–	0.01

PERFORMANCE

Return after charges	(5.55)%	7.52%	1.15%	6.60%
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OTHER INFORMATION

Closing net asset value (£'000)	4,035	4,671	4,217	4,708
Closing number of shares	2,500,784	2,733,909	2,654,274	2,996,742
Operating charges	0.87%	0.81%	0.86%	1.18%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	173.26	173.36	161.77	158.02
Lowest share price	161.51	159.27	139.61	144.10

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	146.97	138.98	138.80	132.42
Return before operating charges*	(7.56)	11.67	2.79	10.40
Operating charges	(0.09)	(0.10)	(0.17)	(0.45)
Return after operating charges	(7.65)	11.57	2.62	9.95
Distributions	–	(3.58)	(2.44)	(3.57)
Closing net asset value per share	139.32	146.97	138.98	138.80
* after direct transaction costs of:	–	0.01	–	0.01

PERFORMANCE

Return after charges	(5.21)%	8.33%	1.89%	7.51%
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OTHER INFORMATION

Closing net asset value (£'000)	19,972	21,142	21,117	20,861
Closing number of shares	14,335,132	14,384,714	15,194,052	15,030,250
Operating charges	0.13%	0.07%	0.12%	0.33%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	149.19	152.61	143.36	143.16
Lowest share price	139.46	139.34	123.77	129.71

LF PRUDENTIAL RISK MANAGED ACTIVE 1
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	123.98	117.23	117.18	111.81
Return before operating charges*	(6.36)	9.85	2.24	8.76
Operating charges	(0.38)	(0.70)	(0.70)	(0.94)
Return after operating charges	(6.74)	9.15	1.54	7.82
Distributions	–	(2.40)	(1.49)	(2.45)
Closing net asset value per share	117.24	123.98	117.23	117.18
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(5.44)%	7.81%	1.31%	6.99%
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OTHER INFORMATION

Closing net asset value (£'000)	4,240	4,992	4,892	4,273
Closing number of shares	3,616,647	4,026,888	4,172,769	3,646,110
Operating charges	0.62%	0.56%	0.61%	0.81%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	125.82	128.29	120.94	120.44
Lowest share price	117.40	117.59	104.29	109.44

LF PRUDENTIAL RISK MANAGED ACTIVE 1
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	143.95	133.53	131.70	123.10
Return before operating charges*	(7.39)	11.21	2.63	9.63
Operating charges	(0.44)	(0.79)	(0.80)	(1.03)
Return after operating charges	(7.83)	10.42	1.83	8.60
Distributions	–	(2.74)	(1.67)	(2.69)
Retained distributions on accumulation shares	–	2.74	1.67	2.69
Closing net asset value per share	136.12	143.95	133.53	131.70
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(5.44)%	7.80%	1.39%	6.99%
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OTHER INFORMATION

Closing net asset value (£'000)	81,194	90,391	77,209	64,107
Closing number of shares	59,646,914	62,795,324	57,820,728	48,676,790
Operating charges	0.62%	0.56%	0.61%	0.81%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	146.06	146.08	135.85	132.57
Lowest share price	136.28	133.93	117.19	120.52

LF PRUDENTIAL RISK MANAGED ACTIVE 1
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	156.05	145.13	143.52	134.48
Return before operating charges*	(7.98)	12.16	2.84	10.51
Operating charges	(0.67)	(1.24)	(1.23)	(1.47)
Return after operating charges	(8.65)	10.92	1.61	9.04
Distributions	–	(2.59)	(1.46)	(2.59)
Retained distributions on accumulation shares	–	2.59	1.46	2.59
Closing net asset value per share	147.40	156.05	145.13	143.52
* after direct transaction costs of:	–	0.01	–	0.01

PERFORMANCE

Return after charges	(5.54)%	7.52%	1.12%	6.72%
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OTHER INFORMATION

Closing net asset value (£'000)	11,156	13,836	12,363	11,023
Closing number of shares	7,568,499	8,866,422	8,518,728	7,680,911
Operating charges	0.87%	0.81%	0.86%	1.06%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	158.27	158.37	147.88	144.45
Lowest share price	147.55	145.50	127.60	131.61

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Active 1	(5.23)	(3.99)	6.71	12.88
IA Mixed Investment 0-35% shares sector ¹	(4.18)	(3.02)	5.41	9.45

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 17.81% (31.10.21 – 15.86%)		
	CONTINENTAL EUROPE – 2.45% (31.10.21 – 2.29%)		
639,772	M&G (LUX) Europe Ex UK Equity ¹	630	0.52
1,881,226	M&G (LUX) Europe Ex UK Equity NPV ¹	2,005	1.65
375,104	M&G (LUX) Pan European Sustain Paris Aligned ¹	340	0.28
	TOTAL CONTINENTAL EUROPE	2,975	2.45
	UNITED KINGDOM – 7.28% (31.10.21 – 6.37%)		
2,856,608	M&G (ACS) UK 200 Index ¹	3,068	2.53
2,559,836	M&G (ACS) UK All Share Index ¹	3,080	2.54
1,442,190	M&G (ACS) UK Listed Equity ¹	1,703	1.40
345,610	M&G (ACS) UK Listed Smaller Companies ¹	388	0.32
183,146	M&G Recovery ¹	536	0.44
25,760	Petershill Partners	66	0.05
	TOTAL UNITED KINGDOM	8,841	7.28
	ASIA EX JAPAN – 3.05% (31.10.21 – 2.79%) ⁶		
3,607,672	M&G Asia Pacific Ex Japan ¹	3,703	3.05
	TOTAL ASIA EX JAPAN	3,703	3.05
	JAPAN – 1.04% (31.10.21 – 0.95%) ⁶		
1,113,491	M&G (ACS) Japan Equity ¹	1,263	1.04
	TOTAL JAPAN	1,263	1.04
	NORTH AMERICA – 2.28% (31.10.21 – 2.26%)		
1,267,348	M&G (ACS) BlackRock US Equity ¹	1,352	1.12
138,917	M&G (ACS) Earnest Partners US ¹	149	0.12
133,065	M&G (ACS) Granahan US Small Capital Growth ¹	138	0.11
30,237	M&G North American Value ¹	1,129	0.93
	TOTAL NORTH AMERICA	2,768	2.28

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EMERGING MARKETS – 1.71% (31.10.21 – 1.20%)		
42,139	iShares MSCI India	249	0.20
572,249	M&G (ACS) China ¹	445	0.37
595,065	M&G (ACS) China Equity ¹	444	0.37
502,797	M&G GSAM Global Emerging Markets Equity ¹	409	0.34
70,547	M&G Invesco Global Emerging Markets ¹	60	0.05
123,956	M&G Lazard Global Emerging Markets Equity ¹	121	0.10
361,069	M&G Securities Mutual Fund ¹	345	0.28
	TOTAL EMERGING MARKETS	<u>2,073</u>	<u>1.71</u>
	TOTAL EQUITY PORTFOLIOS	<u>21,623</u>	<u>17.81</u>
	EQUITY INVESTMENT INSTRUMENTS – 2.26% (31.10.21 – 2.48%)		
135,790	BBGI ²	231	0.19
6,513	BH Macro ²	275	0.23
233,003	BioPharma Credit ²	184	0.15
147,535	Blue Capital Alternative Income ^{2,3}	–	–
11,479	Boussard & Gavaudan ²	228	0.19
271,537	DP Aircraft I ²	3	–
186,842	Ecofin US Renewables Infrastructure Trust ²	158	0.13
21,906	HarbourVest Global Private Equity ²	560	0.46
55,161	HgCapital ²	234	0.19
127,453	NB Distressed Debt Investment ²	60	0.05
167,102	NextEnergy Solar ²	180	0.15
8,966	Princess Private Equity ²	93	0.08
117,775	Renewables Infrastructure ²	159	0.13
186,286	Round Hill Music Royalty ²	159	0.13
180,021	SDCL Energy Efficiency Income ²	219	0.18
	TOTAL EQUITY INVESTMENT INSTRUMENTS	<u>2,743</u>	<u>2.26</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	PROPERTY PORTFOLIOS – 4.78% (31.10.21 – 3.62%)		
53,988	iShares Asia Property Yield	1,067	0.88
18,950	iShares European Property Yield	594	0.49
63,558	iShares UK Property	411	0.34
2,512,312	Legal & General UK Property	2,892	2.38
61,980	M&G Property Portfolio ¹	835	0.69
	TOTAL PROPERTY PORTFOLIOS	<u>5,799</u>	<u>4.78</u>
	BOND PORTFOLIOS – 67.47% (31.10.21 – 68.80%)		
249,234	Eastspring Asian Bond	2,511	2.07
910,236	Eastspring Asian Local Bond	7,966	6.56
1,503,069	Eastspring US Corporate Bond	16,083	13.25
1,235,474	M&G Credit Income Investment Trust ¹	1,233	1.02
4,246,275	M&G Emerging Markets Bond ¹	4,298	3.54
92,525	M&G European Credit Investment ¹	10,029	8.26
900,132	M&G Global Convertibles ¹	2,237	1.84
2,843,869	M&G Global High Yield Bond ¹	3,882	3.20
7,753,950	M&G Short Dated Corporate Bond ¹	1,964	1.62
18,200,603	M&G Sterling Investment Grade Corporate Bond ¹	16,753	13.80
12,248,126	M&G Strategic Corporate Bond ¹	14,933	12.31
	TOTAL BOND PORTFOLIOS	<u>81,889</u>	<u>67.47</u>
	FUTURES – (0.13)% (31.10.21 – (0.02)%) ⁴		
4	EURO STOXX 50 Index Futures June 2022	(3)	–
7	FTSE 100 Index Futures June 2022	16	0.01
26	FTSE China A50 Index Futures May 2022	2	–
33	FTSE/JSE Top 40 Futures June 2022	(9)	(0.01)
4	S&P 500 E Mini Index Futures June 2022	(17)	(0.01)
4	TOPIX Index Futures June 2022	26	0.02
30	US Treasury Note 10 Year Futures June 2022	(177)	(0.14)
	TOTAL FUTURES	<u>(162)</u>	<u>(0.13)</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	Portfolio of investments ⁵	111,892	92.19
	Net other assets	9,474	7.81
	Net assets	<u>121,366</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

⁶ The comparative figures have been restated to match current year presentation. M&G Asia Pacific Ex Japan has been reclassified from Japan to Asia Ex Japan.

LF PRUDENTIAL RISK MANAGED ACTIVE 1

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	30,430	Total sales for the half year £'000	34,856
	Cost £'000		Proceeds £'000
Major purchases		Major sales	
M&G Sterling Investment Grade Corporate Bond	18,684	Royal London Corporate Bond	18,411
US Treasury Note 10 Year Futures March 2022	3,289	US Treasury Note 10 Year Futures December 2021	3,211
US Treasury Note 10 Year Futures June 2022	2,787	US Treasury Note 10 Year Futures March 2022	3,161
M&G Emerging Markets Bond	1,980	M&G Strategic Corporate Bond	2,042
Eastspring Asian Local Bond	1,459	M&G Global High Yield Bond	1,885
S&P 500 E Mini Index Futures March 2022	1,385	M&G European Credit Investment	1,624
FTSE 100 Index Futures March 2022	1,353	FTSE 100 Index Futures March 2022	1,382
FTSE/JSE Top 40 Futures March 2022	1,285	M&G Short Dated Corporate Bond	1,333
iShares Asia Property Yield	1,084	FTSE/JSE Top 40 Futures March 2022	1,329
FTSE/JSE Top 40 Futures June 2022	1,067	S&P 500 E Mini Index Futures March 2022	1,297

In addition to the above, purchases totalling £815,650,000 and sales totalling £817,005,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED ACTIVE 1
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(7,751)		7,120
Revenue	1,068		1,084	
Expenses	(304)		(302)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	763		781	
Taxation	(21)		(213)	
Net revenue after taxation		742		568
Total return before distributions		(7,009)		7,688
Distributions ¹		(20)		16
Change in net assets attributable to shareholders from investment activities		(7,029)		7,704

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		135,853		120,378
Amounts receivable on issue of shares	6,302		12,046	
Amounts payable on redemption of shares	(13,760)		(7,392)	
		(7,458)		4,654
Change in net assets attributable to shareholders from investment activities		(7,029)		7,704
Closing net assets attributable to shareholders		121,366		132,736

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED ACTIVE 1
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	112,098	123,349
Current assets		
Debtors	1,090	3,419
Cash and cash equivalents	8,830	10,319
Total assets	<u>122,018</u>	<u>137,087</u>
LIABILITIES		
Investment liabilities	(206)	(77)
Creditors		
Bank overdrafts	(6)	–
Distribution payable	–	(626)
Other creditors	(440)	(531)
Total liabilities	<u>(652)</u>	<u>(1,234)</u>
Net assets attributable to shareholders	<u>121,366</u>	<u>135,853</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 1
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED ACTIVE 2 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Active 2 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 10%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 10%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in actively managed collective investment schemes. The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a bias towards lower risk assets such as fixed income assets and cash but will always have some exposure to equities. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 20-60% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 20-60% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Active 2

30 June 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- China equity increased to gain more exposure to second largest economy in the world
- African equity increased to enhance risk/return
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Asia and Emerging markets bonds increased to add more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- European and Asian property added to bring further diversification
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 2 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED ACTIVE 2**ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	159.32	146.36	148.46	141.84
Return before operating charges*	(6.67)	16.60	0.58	10.63
Operating charges	(0.69)	(1.23)	(1.26)	(1.74)
Return after operating charges	(7.36)	15.37	(0.68)	8.89
Distributions	–	(2.41)	(1.42)	(2.27)
Closing net asset value per share	151.96	159.32	146.36	148.46
* after direct transaction costs of:	0.01	0.01	–	–

PERFORMANCE

Return after charges	(4.62)%	10.50%	(0.45)%	6.27%
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OTHER INFORMATION

Closing net asset value (£'000)	1,232	1,299	1,235	1,375
Closing number of shares	810,319	815,479	844,034	926,273
Operating charges	0.88%	0.78%	0.86%	1.19%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	162.44	164.51	153.29	152.33
Lowest share price	151.27	146.78	128.87	137.88

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	182.78	165.42	166.17	156.38
Return before operating charges*	(7.66)	18.75	0.65	11.67
Operating charges	(0.79)	(1.39)	(1.40)	(1.88)
Return after operating charges	(8.45)	17.36	(0.75)	9.79
Distributions	–	(2.72)	(1.59)	(2.50)
Retained distributions on accumulation shares	–	2.72	1.59	2.50
Closing net asset value per share	174.33	182.78	165.42	166.17
* after direct transaction costs of:	0.01	0.02	–	0.01

PERFORMANCE

Return after charges	(4.62)%	10.49%	(0.45)%	6.26%
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OTHER INFORMATION

Closing net asset value (£'000)	10,413	11,405	10,076	10,449
Closing number of shares	5,973,161	6,239,894	6,091,166	6,288,183
Operating charges	0.88%	0.78%	0.85%	1.17%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	186.34	185.89	171.55	167.91
Lowest share price	173.53	165.86	144.25	152.04

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	160.02	147.00	149.10	142.44
Return before operating charges*	(6.83)	16.45	0.38	10.39
Operating charges	(0.11)	(0.06)	(0.18)	(0.45)
Return after operating charges	(6.94)	16.39	0.20	9.94
Distributions	–	(3.37)	(2.30)	(3.28)
Closing net asset value per share	153.08	160.02	147.00	149.10
* after direct transaction costs of:	0.01	0.01	–	–

PERFORMANCE

Return after charges	(4.34)%	11.15%	0.13%	6.98%
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OTHER INFORMATION

Closing net asset value (£'000)	67,988	69,794	67,694	72,063
Closing number of shares	44,412,714	43,615,333	46,050,671	48,331,331
Operating charges	0.14%	0.04%	0.12%	0.31%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	163.27	166.06	154.22	153.76
Lowest share price	152.28	147.02	129.73	138.66

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	129.66	119.10	120.79	115.40
Return before operating charges*	(5.48)	13.46	0.42	8.57
Operating charges	(0.40)	(0.68)	(0.72)	(0.99)
Return after operating charges	(5.88)	12.78	(0.30)	7.58
Distributions	–	(2.22)	(1.39)	(2.19)
Closing net asset value per share	123.78	129.66	119.10	120.79
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(4.53)%	10.73%	(0.25)%	6.57%
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OTHER INFORMATION

Closing net asset value (£'000)	7,275	8,295	6,617	5,893
Closing number of shares	5,877,241	6,397,973	5,555,466	4,878,345
Operating charges	0.63%	0.53%	0.60%	0.83%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	132.28	134.22	124.91	124.34
Lowest share price	123.26	119.55	104.93	112.28

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	148.05	133.71	134.04	125.77
Return before operating charges*	(6.25)	15.11	0.46	9.33
Operating charges	(0.46)	(0.77)	(0.79)	(1.06)
Return after operating charges	(6.71)	14.34	(0.33)	8.27
Distributions	–	(2.49)	(1.55)	(2.39)
Retained distributions on accumulation shares	–	2.49	1.55	2.39
Closing net asset value per share	141.34	148.05	133.71	134.04
* after direct transaction costs of:	0.01	0.01	–	–

PERFORMANCE

Return after charges	(4.53)%	10.72%	(0.25)%	6.58%
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OTHER INFORMATION

Closing net asset value (£'000)	189,164	202,555	158,641	115,411
Closing number of shares	133,835,286	136,818,131	118,649,636	86,102,231
Operating charges	0.63%	0.53%	0.60%	0.82%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	151.00	150.61	138.56	135.46
Lowest share price	140.70	134.16	116.44	122.40

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	164.39	148.77	149.44	140.50
Return before operating charges*	(6.89)	16.87	0.58	10.52
Operating charges	(0.71)	(1.25)	(1.25)	(1.58)
Return after operating charges	(7.60)	15.62	(0.67)	8.94
Distributions	–	(2.45)	(1.43)	(2.38)
Retained distributions on accumulation shares	–	2.45	1.43	2.38
Closing net asset value per share	156.79	164.39	148.77	149.44
* after direct transaction costs of:	0.01	0.01	–	–

PERFORMANCE

Return after charges	(4.62)%	10.50%	(0.45)%	6.36%
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OTHER INFORMATION

Closing net asset value (£'000)	32,662	33,724	25,357	21,604
Closing number of shares	20,831,561	20,514,276	17,044,730	14,456,888
Operating charges	0.88%	0.78%	0.85%	1.09%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	167.59	167.22	154.31	151.03
Lowest share price	156.08	149.20	129.72	136.69

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Active 2	(4.46)	(3.20)	8.22	14.27
IA Mixed Investment 20-60% shares sector ¹	(3.93)	(2.18)	9.38	15.50

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED ACTIVE 2**ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 27.45% (31.10.21 – 23.30%)		
	CONTINENTAL EUROPE – 3.79% (31.10.21 – 3.75%)		
2,586,202	M&G (LUX) Europe Ex UK Equity ¹	2,548	0.83
7,326,181	M&G (LUX) Europe Ex UK Equity NPV ¹	7,806	2.53
1,466,742	M&G (LUX) Pan European Sustain Paris Aligned ¹	1,331	0.43
	TOTAL CONTINENTAL EUROPE	<u>11,685</u>	<u>3.79</u>
	UNITED KINGDOM – 10.96% (31.10.21 – 10.05%)		
11,035,244	M&G (ACS) UK 200 Index ¹	11,852	3.84
9,967,745	M&G (ACS) UK All Share Index ¹	11,993	3.88
5,318,325	M&G (ACS) UK Listed Equity ¹	6,279	2.03
1,315,303	M&G (ACS) UK Listed Smaller Companies ¹	1,477	0.48
701,359	M&G Recovery ¹	2,053	0.67
76,705	Petershill Partners	196	0.06
	TOTAL UNITED KINGDOM	<u>33,850</u>	<u>10.96</u>
	ASIA EX JAPAN – 4.71% (31.10.21 – 4.43%)		
14,174,063	M&G Asia Pacific Ex Japan ¹	14,548	4.71
	TOTAL ASIA EX JAPAN	<u>14,548</u>	<u>4.71</u>
	JAPAN – 1.81% (31.10.21 – 1.73%)		
4,918,331	M&G (ACS) Japan Equity ¹	5,577	1.81
	TOTAL JAPAN	<u>5,577</u>	<u>1.81</u>
	NORTH AMERICA – 3.52% (31.10.21 – 3.27%)		
4,593,792	M&G (ACS) BlackRock US Equity ¹	4,900	1.59
559,678	M&G (ACS) Earnest Partners US ¹	602	0.19
532,170	M&G (ACS) Granahan US Small Capital Growth ¹	552	0.18
129,011	M&G North American Value ¹	4,818	1.56
	TOTAL NORTH AMERICA	<u>10,872</u>	<u>3.52</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EMERGING MARKETS – 2.66% (31.10.21 – 1.72%)		
161,822	iShares MSCI India	958	0.31
2,270,452	M&G (ACS) China ¹	1,764	0.57
2,349,950	M&G (ACS) China Equity ¹	1,755	0.57
1,962,710	M&G GSAM Global Emerging Markets Equity ¹	1,597	0.52
287,069	M&G Invesco Global Emerging Markets ¹	243	0.08
278,246	M&G Lazard Global Emerging Markets Equity ¹	272	0.09
1,682,168	M&G Securities Mutual Fund ¹	1,606	0.52
	TOTAL EMERGING MARKETS	<u>8,195</u>	<u>2.66</u>
	TOTAL EQUITY PORTFOLIOS	<u>84,727</u>	<u>27.45</u>
	EQUITY INVESTMENT INSTRUMENTS – 2.65% (31.10.21 – 2.99%)		
401,433	BBGI ²	682	0.22
19,363	BH Macro ²	819	0.26
693,498	BioPharma Credit ²	547	0.18
474,050	Blue Capital Alternative Income ^{2,3}	–	–
35,062	Boussard & Gavaudan ²	696	0.23
629,385	DP Aircraft I ²	8	–
577,971	Ecofin US Renewables Infrastructure Trust ²	487	0.16
66,220	HarbourVest Global Private Equity ²	1,692	0.55
166,407	HgCapital ²	707	0.23
300,186	NB Distressed Debt Investment ²	141	0.05
494,108	NextEnergy Solar ²	533	0.17
27,179	Princess Private Equity ²	283	0.09
348,315	Renewables Infrastructure ²	470	0.15
554,156	Round Hill Music Royalty ²	472	0.15
532,195	SDCL Energy Efficiency Income ²	647	0.21
	TOTAL EQUITY INVESTMENT INSTRUMENTS	<u>8,184</u>	<u>2.65</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	PROPERTY PORTFOLIOS – 5.98% (31.10.21 – 4.58%)		
167,486	iShares Asia Property Yield	3,310	1.07
59,157	iShares European Property Yield	1,855	0.60
229,278	iShares UK Property	1,482	0.48
7,946,799	Legal & General UK Property	9,147	2.96
197,966	M&G Property Portfolio ¹	2,669	0.87
	TOTAL PROPERTY PORTFOLIOS	18,463	5.98
	BOND PORTFOLIOS – 56.04% (31.10.21 – 56.95%)		
520,379	Eastspring Asian Bond	5,242	1.70
1,955,653	Eastspring Asian Local Bond	17,115	5.54
3,087,710	Eastspring US Corporate Bond	33,038	10.70
2,331,166	M&G Credit Income Investment Trust ¹	2,327	0.76
10,063,773	M&G Emerging Markets Bond ¹	10,188	3.30
186,346	M&G European Credit Investment ¹	20,198	6.54
1,770,897	M&G Global Convertibles ¹	4,401	1.43
9,121,777	M&G Global High Yield Bond ¹	12,451	4.03
11,132,728	M&G Short Dated Corporate Bond ¹	2,820	0.91
39,675,212	M&G Sterling Investment Grade Corporate Bond ¹	36,520	11.83
23,547,631	M&G Strategic Corporate Bond ¹	28,709	9.30
	TOTAL BOND PORTFOLIOS	173,009	56.04
	FUTURES – (0.11)% (31.10.21 – 0.02%) ⁴		
19	EURO STOXX 50 Index Futures June 2022	(14)	(0.01)
36	FTSE 100 Index Futures June 2022	82	0.03
70	FTSE China A50 Index Futures May 2022	7	–
129	FTSE/JSE Top 40 Futures June 2022	(34)	(0.01)
12	S&P 500 E Mini Index Futures June 2022	(53)	(0.02)
9	TOPIX Index Futures June 2022	59	0.02
64	US Treasury Note 10 Year Futures June 2022	(378)	(0.12)
	TOTAL FUTURES	(331)	(0.11)

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	Portfolio of investments ⁵	284,052	92.01
	Net other assets	<u>24,682</u>	<u>7.99</u>
	Net assets	<u>308,734</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED ACTIVE 2

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	77,328	Total sales for the half year £'000	73,207
	Cost £'000		Proceeds £'000
Major purchases		Major sales	
M&G Sterling Investment Grade Corporate Bond	38,367	Royal London Corporate Bond	35,287
US Treasury Note 10 Year Futures March 2022	6,870	US Treasury Note 10 Year Futures March 2022	6,601
US Treasury Note 10 Year Futures June 2022	5,945	US Treasury Note 10 Year Futures December 2021	6,326
FTSE 100 Index Futures March 2022	5,280	FTSE 100 Index Futures March 2022	5,373
FTSE/JSE Top 40 Futures March 2022	4,825	FTSE/JSE Top 40 Futures March 2022	4,984
M&G (LUX) Europe Ex UK Equity NPV	4,434	FTSE/JSE Top 40 Futures December 2021	4,812
S&P 500 E Mini Index Futures March 2022	4,332	M&G European Select	4,401
M&G Emerging Markets Bond	4,316	M&G Strategic Corporate Bond	4,071
FTSE/JSE Top 40 Futures June 2022	4,170	S&P 500 E Mini Index Futures March 2022	4,055
FTSE 100 Index Futures June 2022	3,810	iShares UK Property	3,759

In addition to the above, purchases totalling £2,554,763,000 and sales totalling £2,584,070,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED ACTIVE 2
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(16,719)		23,372
Revenue	2,847		2,530	
Expenses	(705)		(628)	
Interest payable and similar charges	(2)		(2)	
Net revenue before taxation	2,140		1,900	
Taxation	(249)		(960)	
Net revenue after taxation		1,891		940
Total return before distributions		(14,828)		24,312
Distributions ¹		(29)		32
Change in net assets attributable to shareholders from investment activities		(14,857)		24,344

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		327,072		269,620
Amounts receivable on issue of shares	21,577		27,329	
Amounts payable on redemption of shares	(25,058)		(10,982)	
		(3,481)		16,347
Change in net assets attributable to shareholders from investment activities		(14,857)		24,344
Closing net assets attributable to shareholders		308,734		310,311

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED ACTIVE 2
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	284,531	292,860
Current assets		
Debtors	2,143	9,148
Cash and cash equivalents	24,022	54,159
Total assets	<u>310,696</u>	<u>356,167</u>
LIABILITIES		
Investment liabilities	(479)	(157)
Creditors		
Bank overdrafts	(15)	–
Distribution payable	–	(1,632)
Other creditors	(1,468)	(27,306)
Total liabilities	<u>(1,962)</u>	<u>(29,095)</u>
Net assets attributable to shareholders	<u>308,734</u>	<u>327,072</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 2
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED ACTIVE 3 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Active 3 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 12%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 12%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in actively managed collective investment schemes. The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will be balanced between lower risk assets, such as fixed income assets and cash, and higher risk assets, such as equities. From time to time, however, the Fund may have a higher exposure to either higher risk or lower risk assets with the aim of meeting the Fund's objective. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 20-60% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 20-60% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Active 3

30 June 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- China equity increased to gain more exposure to second largest economy in the world
- African equity increased to enhance risk/return
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Asia and Emerging markets bonds increased to add more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- European and Asian property added to bring further diversification
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 3 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	171.67	153.06	158.05	151.15
Return before operating charges*	(5.56)	22.62	(2.03)	11.07
Operating charges	(0.75)	(1.37)	(1.33)	(1.90)
Return after operating charges	(6.31)	21.25	(3.36)	9.17
Distributions	–	(2.64)	(1.63)	(2.27)
Closing net asset value per share	165.36	171.67	153.06	158.05
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(3.68)%	13.88%	(2.13)%	6.06%
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OTHER INFORMATION

Closing net asset value (£'000)	1,503	1,578	1,337	1,543
Closing number of shares	909,188	919,435	873,634	976,520
Operating charges	0.88%	0.81%	0.86%	1.22%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	175.63	177.24	164.21	163.10
Lowest share price	162.95	153.34	134.07	146.97

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	194.50	170.79	174.50	164.52
Return before operating charges*	(6.29)	25.24	(2.24)	12.05
Operating charges	(0.85)	(1.53)	(1.47)	(2.07)
Return after operating charges	(7.14)	23.71	(3.71)	9.98
Distributions	–	(2.95)	(1.80)	(2.47)
Retained distributions on accumulation shares	–	2.95	1.80	2.47
Closing net asset value per share	187.36	194.50	170.79	174.50
* after direct transaction costs of:	0.01	0.02	0.01	0.01

PERFORMANCE

Return after charges	(3.67)%	13.88%	(2.13)%	6.07%
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OTHER INFORMATION

Closing net asset value (£'000)	14,185	11,635	10,299	10,992
Closing number of shares	7,570,874	5,982,077	6,030,148	6,299,239
Operating charges	0.88%	0.81%	0.86%	1.22%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	198.94	197.69	181.23	177.45
Lowest share price	184.59	171.11	147.96	159.93

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	172.34	153.64	158.66	151.71
Return before operating charges*	(5.73)	22.47	(2.27)	10.89
Operating charges	(0.12)	(0.10)	(0.19)	(0.58)
Return after operating charges	(5.85)	22.37	(2.46)	10.31
Distributions	–	(3.67)	(2.56)	(3.36)
Closing net asset value per share	166.49	172.34	153.64	158.66
* after direct transaction costs of:	0.01	0.02	0.01	0.01

PERFORMANCE

Return after charges	(3.39)%	14.56%	(1.55)%	6.79%
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OTHER INFORMATION

Closing net asset value (£'000)	98,634	99,078	87,171	94,549
Closing number of shares	59,241,849	57,491,424	56,736,598	59,593,138
Operating charges	0.14%	0.06%	0.12%	0.37%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	176.43	178.81	165.05	164.55
Lowest share price	163.93	153.93	134.89	147.72

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	134.70	120.09	124.01	118.58
Return before operating charges*	(4.40)	17.70	(1.66)	8.62
Operating charges	(0.42)	(0.75)	(0.74)	(1.04)
Return after operating charges	(4.82)	16.95	(2.40)	7.58
Distributions	–	(2.34)	(1.52)	(2.15)
Closing net asset value per share	129.88	134.70	120.09	124.01
* after direct transaction costs of:	0.01	0.01	0.01	–

PERFORMANCE

Return after charges	(3.58)%	14.11%	(1.94)%	6.39%
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OTHER INFORMATION

Closing net asset value (£'000)	10,857	10,767	9,396	9,460
Closing number of shares	8,359,558	7,992,800	7,824,056	7,628,716
Operating charges	0.63%	0.56%	0.61%	0.85%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	137.93	139.47	129.06	128.42
Lowest share price	128.03	120.31	105.43	115.49

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	152.68	133.80	136.42	128.23
Return before operating charges*	(4.97)	19.71	(1.81)	9.33
Operating charges	(0.48)	(0.83)	(0.81)	(1.14)
Return after operating charges	(5.45)	18.88	(2.62)	8.19
Distributions	–	(2.61)	(1.68)	(2.32)
Retained distributions on accumulation shares	–	2.61	1.68	2.32
Closing net asset value per share	147.23	152.68	133.80	136.42
* after direct transaction costs of:	0.01	0.01	0.01	–

PERFORMANCE

Return after charges	(3.57)%	14.11%	(1.92)%	6.39%
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OTHER INFORMATION

Closing net asset value (£'000)	291,830	279,782	201,851	165,983
Closing number of shares	198,218,455	183,243,739	150,862,344	121,667,901
Operating charges	0.63%	0.56%	0.61%	0.86%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	156.30	155.32	141.93	138.83
Lowest share price	145.09	134.05	115.93	124.91

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	173.08	151.98	155.28	146.25
Return before operating charges*	(5.60)	22.46	(2.00)	10.69
Operating charges	(0.75)	(1.36)	(1.30)	(1.66)
Return after operating charges	(6.35)	21.10	(3.30)	9.03
Distributions	–	(2.62)	(1.61)	(2.35)
Retained distributions on accumulation shares	–	2.62	1.61	2.35
Closing net asset value per share	166.73	173.08	151.98	155.28
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(3.67)%	13.88%	(2.13)%	6.17%
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OTHER INFORMATION

Closing net asset value (£'000)	36,709	33,308	23,967	18,384
Closing number of shares	22,016,863	19,243,836	15,768,869	11,839,111
Operating charges	0.88%	0.81%	0.86%	1.10%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	177.07	175.99	161.34	157.96
Lowest share price	164.30	152.27	131.73	142.32

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Active 3	(3.58)	(1.74)	9.96	18.35
IA Mixed Investment 20-60% shares sector ¹	(3.93)	(2.18)	9.38	15.50

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED ACTIVE 3**ACD'S REPORT** *continued***PORTFOLIO STATEMENT**

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 37.30% (31.10.21 – 34.95%)		
	CONTINENTAL EUROPE – 5.18% (31.10.21 – 5.25%)		
5,272,689	M&G (LUX) Europe Ex UK Equity ¹	5,195	1.15
14,746,593	M&G (LUX) Europe Ex UK Equity NPV ¹	15,712	3.46
2,866,034	M&G (LUX) Pan European Sustain Paris Aligned ¹	2,601	0.57
	TOTAL CONTINENTAL EUROPE	<u>23,508</u>	<u>5.18</u>
	UNITED KINGDOM – 14.63% (31.10.21 – 13.94%)		
21,265,245	M&G (ACS) UK 200 Index ¹	22,840	5.03
20,302,046	M&G (ACS) UK All Share Index ¹	24,426	5.38
10,717,189	M&G (ACS) UK Listed Equity ¹	12,652	2.79
2,529,661	M&G (ACS) UK Listed Smaller Companies ¹	2,841	0.63
1,131,774	M&G Recovery ¹	3,314	0.73
128,566	Petershill Partners	328	0.07
	TOTAL UNITED KINGDOM	<u>66,401</u>	<u>14.63</u>
	ASIA EX JAPAN – 6.32% (31.10.21 – 6.06%)		
27,948,669	M&G Asia Pacific Ex Japan ¹	28,687	6.32
	TOTAL ASIA EX JAPAN	<u>28,687</u>	<u>6.32</u>
	JAPAN – 2.65% (31.10.21 – 2.55%)		
10,604,388	M&G (ACS) Japan Equity ¹	12,024	2.65
	TOTAL JAPAN	<u>12,024</u>	<u>2.65</u>
	NORTH AMERICA – 4.95% (31.10.21 – 4.81%)		
10,566,058	M&G (ACS) BlackRock US Equity ¹	11,271	2.48
1,086,006	M&G (ACS) Earnest Partners US ¹	1,169	0.26
1,032,582	M&G (ACS) Granahan US Small Capital Growth ¹	1,071	0.24
239,047	M&G North American Value ¹	8,926	1.97
	TOTAL NORTH AMERICA	<u>22,437</u>	<u>4.95</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EMERGING MARKETS – 3.57% (31.10.21 – 2.34%)		
302,377	iShares MSCI India	1,791	0.40
4,502,409	M&G (ACS) China ¹	3,498	0.77
4,639,943	M&G (ACS) China Equity ¹	3,465	0.76
3,407,497	M&G GSAM Global Emerging Markets Equity ¹	2,771	0.61
1,057,551	M&G Invesco Global Emerging Markets ¹	896	0.20
630,496	M&G Lazard Global Emerging Markets Equity ¹	617	0.14
3,297,806	M&G Securities Mutual Fund ¹	3,148	0.69
	TOTAL EMERGING MARKETS	16,186	3.57
	TOTAL EQUITY PORTFOLIOS	169,243	37.30
	EQUITY INVESTMENT INSTRUMENTS – 3.01% (31.10.21 – 3.45%)		
669,507	BBGI ²	1,138	0.25
32,396	BH Macro ²	1,370	0.30
1,161,602	BioPharma Credit ²	917	0.20
819,485	Blue Capital Alternative Income ^{2,3}	–	–
57,619	Boussard & Gavaudan ²	1,143	0.25
1,087,483	DP Aircraft I ²	13	–
981,604	Ecofin US Renewables Infrastructure Trust ²	828	0.18
111,294	HarbourVest Global Private Equity ²	2,844	0.63
279,877	HgCapital ²	1,189	0.26
450,602	NB Distressed Debt Investment ²	212	0.05
824,512	NextEnergy Solar ²	889	0.20
45,683	Princess Private Equity ²	476	0.11
580,882	Renewables Infrastructure ²	783	0.17
876,820	Round Hill Music Royalty ²	746	0.16
56,589	Round Hill Music Royalty 'C' ²	43	0.01
888,605	SDCL Energy Efficiency Income ²	1,081	0.24
	TOTAL EQUITY INVESTMENT INSTRUMENTS	13,672	3.01

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	PROPERTY PORTFOLIOS – 7.00% (31.10.21 – 5.42%)		
273,966	iShares Asia Property Yield	5,413	1.19
96,370	iShares European Property Yield	3,022	0.67
675,021	iShares UK Property	4,365	0.96
12,760,951	Legal & General UK Property	14,688	3.24
316,229	M&G Property Portfolio ¹	4,263	0.94
	TOTAL PROPERTY PORTFOLIOS	<u>31,751</u>	<u>7.00</u>
	BOND PORTFOLIOS – 43.78% (31.10.21 – 44.68%)		
639,417	Eastspring Asian Bond	6,441	1.42
2,186,237	Eastspring Asian Local Bond	19,132	4.22
3,392,016	Eastspring US Corporate Bond	36,295	8.00
2,298,453	M&G Credit Income Investment Trust ^{1,2}	2,294	0.51
14,415,708	M&G Emerging Markets Bond ¹	14,593	3.22
199,845	M&G European Credit Investment ¹	21,661	4.77
1,987,265	M&G Global Convertibles ¹	4,939	1.09
13,042,959	M&G Global High Yield Bond ¹	17,804	3.92
11,706,770	M&G Short Dated Corporate Bond ¹	2,965	0.65
46,851,202	M&G Sterling Investment Corporate Bond ¹	43,126	9.51
24,089,259	M&G Strategic Corporate Bond ¹	29,370	6.47
	TOTAL BOND PORTFOLIOS	<u>198,620</u>	<u>43.78</u>
	FUTURES – (0.07)% (31.10.21 – 0.04%) ⁴		
36	EURO STOXX 50 Index Futures June 2022	(26)	(0.01)
84	FTSE 100 Index Futures June 2022	190	0.04
116	FTSE China A50 Index Futures May 2022	5	–
248	FTSE/JSE Top 40 Futures June 2022	(66)	(0.01)
16	S&P 500 E Mini Index Futures June 2022	(71)	(0.01)
10	TOPIX Index Futures June 2022	85	0.02
75	US Treasury Note 10 Year Futures June 2022	(442)	(0.10)
	TOTAL FUTURES	<u>(325)</u>	<u>(0.07)</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	Portfolio of investments ⁵	412,961	91.02
	Net other assets	40,757	8.98
	Net assets	<u>453,718</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED ACTIVE 3

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	121,602	Total sales for the half year £'000	79,978
	Cost £'000		Proceeds £'000
Major purchases		Major sales	
M&G Sterling Investment Corporate Bond	44,722	Royal London Corporate Bond	35,702
FTSE 100 Index Futures March 2022	8,851	FTSE/JSE Top 40 Futures March 2022	9,046
FTSE/JSE Top 40 Futures March 2022	8,773	FTSE 100 Index Futures March 2022	8,977
US Treasury Note 10 Year Futures March 2022	8,131	FTSE/JSE Top 40 Futures December 2021	8,750
FTSE/JSE Top 40 Futures June 2022	8,016	US Treasury Note 10 Year Futures March 2022	7,810
M&G (LUX) Europe Ex UK Equity NPV	7,991	M&G European Select	7,482
FTSE 100 Index Futures June 2022	7,548	M&G Recovery	7,142
M&G Emerging Markets Bond	7,251	FTSE 100 Index Futures December 2021	6,921
US Treasury Note 10 Year Futures June 2022	6,967	US Treasury Note 10 Year Futures December 2021	6,520
S&P 500 E Mini Index Futures March 2022	5,718	S&P 500 E Mini Index Futures March 2022	5,353

In addition to the above, purchases totalling £4,036,849,000 and sales totalling £4,037,009,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

LF PRUDENTIAL RISK MANAGED ACTIVE 3 INTERIM FINANCIAL STATEMENTS (UNAUDITED) STATEMENT OF TOTAL RETURN

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(19,609)		38,616
Revenue	4,178		3,263	
Expenses	(974)		(755)	
Interest payable and similar charges	(2)		(2)	
Net revenue before taxation	3,202		2,506	
Taxation	(474)		(1,478)	
Net revenue after taxation		2,728		1,028
Total return before distributions		(16,881)		39,644
Distributions ¹		86		62
Change in net assets attributable to shareholders from investment activities		(16,795)		39,706

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		436,148		334,021
Amounts receivable on issue of shares	45,143		31,033	
Amounts payable on redemption of shares	(10,778)		(11,633)	
		34,365		19,400
Change in net assets attributable to shareholders from investment activities		(16,795)		39,706
Closing net assets attributable to shareholders		453,718		393,127

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED ACTIVE 3
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	413,566	386,341
Current assets		
Debtors	4,012	16,437
Cash and cash equivalents	37,953	73,179
Total assets	<u>455,531</u>	<u>475,957</u>
LIABILITIES		
Investment liabilities	(605)	(167)
Creditors		
Bank overdrafts	(16)	–
Distribution payable	–	(2,324)
Other creditors	(1,192)	(37,318)
Total liabilities	<u>(1,813)</u>	<u>(39,809)</u>
Net assets attributable to shareholders	<u>453,718</u>	<u>436,148</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 3
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED ACTIVE 4 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Active 4 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 14.5%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 14.5%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in actively managed collective investment schemes. The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a bias towards higher risk assets, such as equities. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 40-85% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 40-85% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Active 4

30 June 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- China equity increased to gain more exposure to second largest economy in the world
- African equity increased to enhance risk/return
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Asia and Emerging markets bonds increased to add more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- European and Asian property added to bring further diversification
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 4 ACD'S REPORT *continued* FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 4 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED ACTIVE 4**ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	187.25	161.71	170.37	163.16
Return before operating charges*	(4.17)	30.05	(5.26)	11.53
Operating charges	(0.82)	(1.45)	(1.41)	(2.05)
Return after operating charges	(4.99)	28.60	(6.67)	9.48
Distributions	–	(3.06)	(1.99)	(2.27)
Closing net asset value per share	182.26	187.25	161.71	170.37
* after direct transaction costs of:	0.01	0.02	0.01	0.01

PERFORMANCE

Return after charges	(2.66)%	17.69%	(3.92)%	5.81%
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OTHER INFORMATION

Closing net asset value (£'000)	1,525	1,275	850	1,100
Closing number of shares	836,850	680,729	525,502	645,831
Operating charges	0.88%	0.79%	0.86%	1.22%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	191.72	193.88	178.28	176.88
Lowest share price	177.21	162.09	140.36	157.31

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	207.50	176.36	183.56	173.48
Return before operating charges*	(4.63)	32.72	(5.66)	12.28
Operating charges	(0.91)	(1.58)	(1.54)	(2.20)
Return after operating charges	(5.54)	31.14	(7.20)	10.08
Distributions	–	(3.34)	(2.14)	(2.41)
Retained distributions on accumulation shares	–	3.34	2.14	2.41
Closing net asset value per share	201.96	207.50	176.36	183.56
* after direct transaction costs of:	0.01	0.02	0.01	0.01

PERFORMANCE

Return after charges	(2.67)%	17.66%	(3.92)%	5.81%
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OTHER INFORMATION

Closing net asset value (£'000)	12,004	12,568	12,535	15,451
Closing number of shares	5,943,425	6,056,779	7,107,962	8,417,774
Operating charges	0.88%	0.79%	0.86%	1.23%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	212.45	211.37	192.02	188.02
Lowest share price	196.37	176.78	151.23	167.29

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	187.92	162.28	170.98	163.72
Return before operating charges*	(4.34)	29.91	(5.52)	11.32
Operating charges	(0.13)	(0.09)	(0.20)	(0.63)
Return after operating charges	(4.47)	29.82	(5.72)	10.69
Distributions	–	(4.18)	(2.98)	(3.43)
Closing net asset value per share	183.45	187.92	162.28	170.98
* after direct transaction costs of:	0.01	0.02	0.01	0.01

PERFORMANCE

Return after charges	(2.38)%	18.38%	(3.35)%	6.53%
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OTHER INFORMATION

Closing net asset value (£'000)	110,846	116,881	99,286	81,228
Closing number of shares	60,423,294	62,197,988	61,180,581	47,506,878
Operating charges	0.14%	0.05%	0.12%	0.37%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	192.58	195.55	179.15	178.42
Lowest share price	178.23	162.68	141.18	158.09

LF PRUDENTIAL RISK MANAGED ACTIVE 4
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	142.08	122.70	129.34	123.84
Return before operating charges*	(3.20)	22.74	(4.84)	8.70
Operating charges	(0.45)	(0.75)	(0.04)	(1.10)
Return after operating charges	(3.65)	21.99	(4.88)	7.60
Distributions	–	(2.61)	(1.76)	(2.10)
Closing net asset value per share	138.43	142.08	122.70	129.34
* after direct transaction costs of:	0.01	0.01	–	–

PERFORMANCE

Return after charges	(2.57)%	17.92%	(3.77)%	6.14%
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OTHER INFORMATION

Closing net asset value (£'000)	7,586	7,559	6,374	7,291
Closing number of shares	5,479,687	5,320,026	5,194,665	5,636,978
Operating charges	0.63%	0.54%	0.61%	0.86%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	145.60	147.58	135.59	134.78
Lowest share price	134.67	122.99	106.62	119.52

LF PRUDENTIAL RISK MANAGED ACTIVE 4
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	159.63	135.37	140.60	132.46
Return before operating charges*	(3.61)	25.09	11.39	9.32
Operating charges	(0.50)	(0.83)	(16.62)	(1.18)
Return after operating charges	(4.11)	24.26	(5.23)	8.14
Distributions	–	(2.88)	(1.92)	(2.24)
Retained distributions on accumulation shares	–	2.88	1.92	2.24
Closing net asset value per share	155.52	159.63	135.37	140.60
* after direct transaction costs of:	0.01	0.01	0.09	–

PERFORMANCE

Return after charges	(2.57)%	17.92%	(3.72)%	6.15%
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OTHER INFORMATION

Closing net asset value (£'000)	193,246	190,509	147,404	142,604
Closing number of shares	124,257,717	119,346,041	108,890,354	101,426,763
Operating charges	0.63%	0.54%	0.61%	0.86%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	163.53	162.74	147.35	144.13
Lowest share price	151.24	135.70	115.91	127.88

LF PRUDENTIAL RISK MANAGED ACTIVE 4
ACD'S REPORT *continued*
FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	184.84	157.06	163.45	154.31
Return before operating charges*	(4.12)	29.19	(5.03)	10.91
Operating charges	(0.81)	(1.41)	(1.36)	(1.77)
Return after operating charges	(4.93)	27.78	(6.39)	9.14
Distributions	–	(2.97)	(1.91)	(2.29)
Retained distributions on accumulation shares	–	2.97	1.91	2.29
Closing net asset value per share	179.91	184.84	157.06	163.45
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(2.67)%	17.69%	(3.91)%	5.92%
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OTHER INFORMATION

Closing net asset value (£'000)	25,284	22,470	15,098	15,060
Closing number of shares	14,053,726	12,156,710	9,612,724	9,213,445
Operating charges	0.88%	0.79%	0.86%	1.11%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	189.25	188.34	171.08	167.51
Lowest share price	174.93	157.44	134.66	148.92

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Active 4	(2.72)	(0.62)	12.43	21.41
IA Mixed Investment 40-85% shares sector ¹	(4.12)	(0.11)	16.75	27.55

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 48.89% (31.10.21 – 46.45%)		
	CONTINENTAL EUROPE – 6.73% (31.10.21 – 7.08%)		
5,271,984	M&G (LUX) Europe Ex UK Equity ¹	5,194	1.48
14,781,143	M&G (LUX) Europe Ex UK Equity NPV ¹	15,749	4.50
2,907,627	M&G (LUX) Pan European Sustain Paris Aligned ¹	2,639	0.75
	TOTAL CONTINENTAL EUROPE	<u>23,582</u>	<u>6.73</u>
	UNITED KINGDOM – 19.27% (31.10.21 – 18.63%)		
21,420,391	M&G (ACS) UK 200 Index ¹	23,006	6.56
20,647,366	M&G (ACS) UK All Share Index ¹	24,842	7.09
11,024,140	M&G (ACS) UK Listed Equity ¹	13,015	3.72
2,535,371	M&G (ACS) UK Listed Smaller Companies ¹	2,848	0.81
1,212,887	M&G Recovery ¹	3,551	1.01
106,671	Petershill Partners	272	0.08
	TOTAL UNITED KINGDOM	<u>67,534</u>	<u>19.27</u>
	ASIA EX JAPAN – 8.15% (31.10.21 – 7.93%)		
27,842,798	M&G Asia Pacific Ex Japan ¹	28,578	8.15
	TOTAL ASIA EX JAPAN	<u>28,578</u>	<u>8.15</u>
	JAPAN – 3.52% (31.10.21 – 3.38%)		
10,876,311	M&G (ACS) Japan Equity ¹	12,332	3.52
	TOTAL JAPAN	<u>12,332</u>	<u>3.52</u>
	NORTH AMERICA – 6.54% (31.10.21 – 6.37%)		
12,032,251	M&G (ACS) BlackRock US Equity ¹	12,836	3.66
1,093,773	M&G (ACS) Earnest Partners US ¹	1,177	0.34
1,039,967	M&G (ACS) Granahan US Small Capital Growth ¹	1,078	0.31
209,356	M&G North American Value ¹	7,818	2.23
	TOTAL NORTH AMERICA	<u>22,909</u>	<u>6.54</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EMERGING MARKETS – 4.68% (31.10.21 – 3.06%)		
312,505	iShares MSCI India	1,853	0.53
4,504,222	M&G (ACS) China ¹	3,499	1.00
4,754,039	M&G (ACS) China Equity ¹	3,550	1.01
3,576,835	M&G GSAM Global Emerging Markets Equity ¹	2,909	0.83
928,762	M&G Invesco Global Emerging Markets ¹	787	0.22
877,966	M&G Lazard Global Emerging Markets Equity ¹	859	0.25
3,077,719	M&G MFS Global Emerging Markets Equity ¹	2,938	0.84
	TOTAL EMERGING MARKETS	<u>16,395</u>	<u>4.68</u>
	TOTAL EQUITY PORTFOLIOS	<u>171,330</u>	<u>48.89</u>
	EQUITY INVESTMENT INSTRUMENTS – 3.25% (31.10.21 – 3.81%)		
553,458	BBGI ²	941	0.27
26,886	BH Macro ²	1,137	0.33
964,073	BioPharma Credit ²	762	0.22
1,093,355	Blue Capital Alternative Income ^{2,3}	–	–
49,080	Boussard & Gavaudan ²	973	0.28
1,064,459	DP Aircraft I ²	13	–
828,575	Ecofin US Renewables Infrastructure Trust ²	699	0.20
90,563	HarbourVest Global Private Equity ²	2,314	0.66
227,597	HgCapital ²	967	0.28
537,548	NB Distressed Debt Investment ²	253	0.07
681,583	NextEnergy Solar ²	735	0.21
37,164	Princess Private Equity ²	387	0.11
480,210	Renewables Infrastructure ²	647	0.18
769,411	Round Hill Music Royalty ²	656	0.19
734,488	SDCL Energy Efficiency Income ²	893	0.25
	TOTAL EQUITY INVESTMENT INSTRUMENTS	<u>11,377</u>	<u>3.25</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	PROPERTY PORTFOLIOS – 7.56% (31.10.21 – 5.99%)		
237,692	iShares Asia Property Yield	4,697	1.34
83,954	iShares European Property Yield	2,633	0.75
416,897	iShares UK Property	2,695	0.77
11,091,313	Legal & General UK Property	12,766	3.64
274,543	M&G Property Portfolio ¹	3,701	1.06
	TOTAL PROPERTY PORTFOLIOS	<u>26,492</u>	<u>7.56</u>
	BOND PORTFOLIOS – 30.99% (31.10.21 – 32.60%)		
326,777	Eastspring Asian Bond	3,292	0.94
1,279,185	Eastspring Asian Local Bond	11,208	3.20
1,779,535	Eastspring US Corporate Bond	19,041	5.43
1,321,852	M&G Credit Income Investment Trust ¹	1,319	0.38
10,214,121	M&G Emerging Markets Bond ¹	10,340	2.95
94,390	M&G European Credit Investment ¹	10,231	2.92
1,031,212	M&G Global Convertibles ¹	2,563	0.73
8,997,615	M&G Global High Yield Bond ¹	12,282	3.50
24,842,885	M&G Sterling Investment Grade Corporate Bond ¹	22,867	6.52
12,720,890	M&G Strategic Corporate Bond ¹	15,509	4.42
	TOTAL BOND PORTFOLIOS	<u>108,652</u>	<u>30.99</u>
	FUTURES – (0.04)% (31.10.21 – 0.04%) ⁴		
37	EURO STOXX 50 Index Futures June 2022	(27)	(0.01)
70	FTSE 100 Index Futures June 2022	159	0.05
89	FTSE China A50 Index Futures May 2022	9	–
248	FTSE/JSE Top 40 Futures June 2022	(66)	(0.02)
11	S&P 500 E Mini Index Futures June 2022	(49)	(0.01)
8	TOPIX Index Futures June 2022	52	0.01
37	US Treasury Note 10 Year Futures June 2022	(218)	(0.06)
	TOTAL FUTURES	<u>(140)</u>	<u>(0.04)</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	Portfolio of investments ⁵	317,711	90.65
	Net other assets	<u>32,780</u>	<u>9.35</u>
	Net assets	<u>350,491</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED ACTIVE 4

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	82,148	Total sales for the half year £'000	67,798
	Cost £'000		Proceeds £'000
Major purchases		Major sales	
M&G Sterling Investment Grade Corporate Bond	23,242	Royal London Corporate Bond	19,900
FTSE/JSE Top 40 Futures March 2022	9,180	FTSE/JSE Top 40 Futures March 2022	9,480
M&G (LUX) Europe Ex UK Equity NPV	8,479	FTSE/JSE Top 40 Futures December 2021	9,156
FTSE/JSE Top 40 Futures June 2022	8,016	M&G European Select	8,416
FTSE 100 Index Futures March 2022	7,558	FTSE 100 Index Futures March 2022	7,673
FTSE 100 Index Futures June 2022	6,398	M&G European Credit Investment	5,997
FTSE/JSE Top 40 Futures December 2021	4,952	M&G Recovery	5,649
iShares Asia Property Yield	4,773	FTSE 100 Index Futures December 2021	5,334
M&G Emerging Markets Bond	4,612	S&P 500 E Mini Index Futures March 2022	4,216
S&P 500 E Mini Index Futures March 2022	4,494	US Treasury Note 10 Year Futures December 2021	3,893

In addition to the above, purchases totalling £3,376,662,000 and sales totalling £3,400,013,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED ACTIVE 4
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(11,857)		41,760
Revenue	3,506		2,777	
Expenses	(680)		(573)	
Interest payable and similar charges	(1)		(2)	
Net revenue before taxation	2,825		2,202	
Taxation	(244)		(1,392)	
Net revenue after taxation		2,581		810
Total return before distributions		(9,276)		42,570
Distributions ¹		11		(6)
Change in net assets attributable to shareholders from investment activities		(9,265)		42,564

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		351,262		281,547
Amounts receivable on issue of shares	20,292		17,889	
Amounts payable on redemption of shares	(11,798)		(16,486)	
		8,494		1,403
Change in net assets attributable to shareholders from investment activities		(9,265)		42,564
Closing net assets attributable to shareholders		350,491		325,514

The above statement shows the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED ACTIVE 4
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	318,071	312,335
Current assets		
Debtors	3,441	15,800
Cash and cash equivalents	30,180	27,417
Total assets	<u>351,692</u>	<u>355,552</u>
LIABILITIES		
Investment liabilities	(360)	(107)
Creditors		
Bank overdrafts	(13)	–
Distribution payable	–	(2,760)
Other creditors	(828)	(1,423)
Total liabilities	<u>(1,201)</u>	<u>(4,290)</u>
Net assets attributable to shareholders	<u>350,491</u>	<u>351,262</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 4
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED ACTIVE 5 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Active 5 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 17%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 17%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in actively managed collective investment schemes. The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a high exposure towards higher risk assets, such as equities. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Flexible Investment shares sector.

The Fund's performance may be compared against the IA Flexible Investment shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Active 5

30 June 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- China equity increased to gain more exposure to second largest economy in the world
- African equity increased to enhance risk/return
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Asia and Emerging markets bonds increased to add more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- European and Asian property added to bring further diversification
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 5 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	205.95	172.53	185.37	177.55
Return before operating charges*	(2.75)	38.60	(9.05)	12.33
Operating charges	(0.93)	(1.69)	(1.55)	(2.29)
Return after operating charges	(3.68)	36.91	(10.60)	10.04
Distributions	–	(3.49)	(2.24)	(2.22)
Closing net asset value per share	202.27	205.95	172.53	185.37
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(1.79)%	21.40%	(5.72)%	5.66%
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OTHER INFORMATION

Closing net asset value (£'000)	232	225	178	188
Closing number of shares	114,883	109,098	103,508	101,626
Operating charges	0.90%	0.84%	0.87%	1.25%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	212.49	213.62	195.26	193.13
Lowest share price	194.15	173.35	148.14	170.32

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	223.06	183.77	194.90	184.46
Return before operating charges*	(3.00)	41.09	(9.50)	12.78
Operating charges	(1.00)	(1.80)	(1.63)	(2.34)
Return after operating charges	(4.00)	39.29	(11.13)	10.44
Distributions	–	(3.72)	(2.37)	(2.31)
Retained distributions on accumulation shares	–	3.72	2.37	2.31
Closing net asset value per share	219.06	223.06	183.77	194.90
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(1.79)%	21.38%	(5.71)%	5.66%
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OTHER INFORMATION

Closing net asset value (£'000)	5,928	6,301	5,749	7,089
Closing number of shares	2,705,829	2,824,786	3,128,586	3,637,237
Operating charges	0.90%	0.84%	0.87%	1.23%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	230.15	227.54	205.32	200.66
Lowest share price	210.29	184.66	155.76	177.00

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	206.83	173.24	186.17	178.30
Return before operating charges*	(2.90)	38.51	(9.37)	12.05
Operating charges	(0.17)	(0.20)	(0.23)	(0.70)
Return after operating charges	(3.07)	38.31	(9.60)	11.35
Distributions	–	(4.72)	(3.33)	(3.48)
Closing net asset value per share	203.76	206.83	173.24	186.17
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(1.48)%	22.12%	(5.16)%	6.36%
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OTHER INFORMATION

Closing net asset value (£'000)	41,962	42,437	36,459	31,754
Closing number of shares	20,594,051	20,518,190	21,044,828	17,056,931
Operating charges	0.16%	0.10%	0.13%	0.38%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	213.65	215.61	196.37	194.96
Lowest share price	195.40	174.09	149.13	117.29

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	148.43	124.34	133.61	127.96
Return before operating charges*	(2.02)	27.76	(6.59)	8.78
Operating charges	(0.48)	(0.86)	(0.80)	(1.15)
Return after operating charges	(2.50)	26.90	(7.39)	7.63
Distributions	–	(2.81)	(1.88)	(1.98)
Closing net asset value per share	145.93	148.43	124.34	133.61
* after direct transaction costs of:	0.01	0.01	0.01	–

PERFORMANCE

Return after charges	(1.68)%	21.64%	(5.53)%	5.96%
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OTHER INFORMATION

Closing net asset value (£'000)	1,493	1,575	1,664	1,882
Closing number of shares	1,023,131	1,061,102	1,338,103	1,408,274
Operating charges	0.65%	0.59%	0.62%	0.87%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	153.36	154.50	141.06	139.56
Lowest share price	140.17	125.19	106.83	122.86

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	164.93	135.58	143.53	135.43
Return before operating charges*	(2.23)	30.28	(7.09)	9.32
Operating charges	(0.54)	(0.93)	(0.86)	(1.22)
Return after operating charges	(2.77)	29.35	(7.95)	8.10
Distributions	–	(3.07)	(2.02)	(2.10)
Retained distributions on accumulation shares	–	3.07	2.02	2.10
Closing net asset value per share	162.16	164.93	135.58	143.53
* after direct transaction costs of:	0.01	0.01	0.01	–

PERFORMANCE

Return after charges	(1.68)%	21.65%	(5.54)%	5.98%
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OTHER INFORMATION

Closing net asset value (£'000)	80,892	79,309	65,565	67,590
Closing number of shares	49,883,883	48,085,264	48,357,761	47,091,908
Operating charges	0.65%	0.59%	0.62%	0.87%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	170.33	168.38	151.46	147.69
Lowest share price	155.68	136.44	114.78	130.08

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	196.50	161.86	171.67	162.31
Return before operating charges*	(2.64)	36.23	(8.37)	11.24
Operating charges	(0.88)	(1.59)	(1.44)	(1.88)
Return after operating charges	(3.52)	34.64	(9.81)	9.36
Distributions	–	(3.28)	(2.07)	(2.18)
Retained distributions on accumulation shares	–	3.28	2.07	2.18
Closing net asset value per share	192.98	196.50	161.86	171.67
* after direct transaction costs of:	0.01	0.02	0.01	–

PERFORMANCE

Return after charges	(1.79)%	21.40%	(5.71)%	5.77%
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OTHER INFORMATION

Closing net asset value (£'000)	11,759	11,191	7,915	7,573
Closing number of shares	6,093,205	5,695,426	4,890,339	4,411,780
Operating charges	0.90%	0.84%	0.87%	1.12%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	202.74	200.47	180.90	176.73
Lowest share price	185.24	162.71	137.19	155.85

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Active 5	(1.30)	0.40	13.36	23.78
IA Flexible Investment shares sector ¹	(4.36)	(0.54)	18.84	29.67

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 62.65% (31.10.21 – 57.87%)		
	CONTINENTAL EUROPE – 8.35% (31.10.21 – 8.67%)		
2,645,453	M&G (LUX) Europe Ex UK Equity ¹	2,606	1.83
7,485,773	M&G (LUX) Europe Ex UK Equity NPV ¹	7,976	5.61
1,427,295	M&G (LUX) Pan European Sustain Paris Aligned ¹	1,295	0.91
	TOTAL CONTINENTAL EUROPE	<u>11,877</u>	<u>8.35</u>
	UNITED KINGDOM – 25.06% (31.10.21 – 22.86%)		
11,203,456	M&G (ACS) UK 200 Index ¹	12,033	8.46
10,444,208	M&G (ACS) UK All Share Index ¹	12,566	8.83
5,954,166	M&G (ACS) UK Listed Equity ¹	7,029	4.94
1,735,945	M&G (ACS) UK Listed Smaller Companies ¹	1,950	1.37
672,504	M&G Recovery ¹	1,969	1.38
46,551	Petershill Partners	119	0.08
	TOTAL UNITED KINGDOM	<u>35,666</u>	<u>25.06</u>
	ASIA EX JAPAN – 10.14% (31.10.21 – 9.80%)		
14,048,418	M&G Asia Pacific Ex Japan ¹	14,419	10.14
	TOTAL ASIA EX JAPAN	<u>14,419</u>	<u>10.14</u>
	JAPAN – 4.67% (31.10.21 – 4.27%)		
5,857,740	M&G (ACS) Japan Equity ¹	6,642	4.67
	TOTAL JAPAN	<u>6,642</u>	<u>4.67</u>
	NORTH AMERICA – 8.65% (31.10.21 – 8.46%)		
8,506,043	M&G (ACS) BlackRock US Equity ¹	9,074	6.38
536,828	M&G (ACS) Earnest Partners US ¹	578	0.41
510,444	M&G (ACS) Granahan US Small Capital Growth ¹	529	0.37
56,775	M&G North American Value ¹	2,120	1.49
	TOTAL NORTH AMERICA	<u>12,301</u>	<u>8.65</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EMERGING MARKETS – 5.78% (31.10.21 – 3.81%)		
156,552	iShares MSCI India	928	0.65
2,286,937	M&G (ACS) China ¹	1,777	1.25
2,333,288	M&G (ACS) China Equity ¹	1,743	1.23
1,814,185	M&G GSAM Global Emerging Markets Equity ¹	1,476	1.04
438,756	M&G Invesco Global Emerging Markets ¹	372	0.26
390,541	M&G Lazard Global Emerging Markets Equity ¹	382	0.27
1,610,495	M&G MFS Global Emerging Markets Equity ¹	1,537	1.08
	TOTAL EMERGING MARKETS	8,215	5.78
	TOTAL EQUITY PORTFOLIOS	89,120	62.65
	EQUITY INVESTMENT INSTRUMENTS – 3.51% (31.10.21 – 4.20%)		
243,027	BBGI ²	413	0.29
11,809	BH Macro ²	500	0.35
420,950	BioPharma Credit ²	333	0.24
512,705	Blue Capital Alternative Income ^{2,3}	–	–
21,450	Boussard & Gavaudan ²	425	0.30
539,890	DP Aircraft I ²	6	–
364,037	Ecofin US Renewables Infrastructure Trust ²	307	0.22
39,661	HarbourVest Global Private Equity ²	1,013	0.71
99,716	HgCapital ²	424	0.30
247,094	NB Distressed Debt Investment ²	116	0.08
298,277	NextEnergy Solar ²	322	0.23
16,272	Princess Private Equity ²	170	0.12
210,930	Renewables Infrastructure ²	284	0.20
338,170	Round Hill Music Royalty ²	288	0.20
320,024	SDCL Energy Efficiency Income	389	0.27
	TOTAL EQUITY INVESTMENT INSTRUMENTS	4,990	3.51

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	PROPERTY PORTFOLIOS – 8.17% (31.10.21 – 6.52%)		
104,812	iShares Asia Property Yield	2,071	1.46
36,765	iShares European Property Yield	1,153	0.81
181,347	iShares UK Property	1,172	0.82
4,863,235	Legal & General UK Property	5,598	3.93
120,815	M&G Property Portfolio ¹	1,629	1.15
	TOTAL PROPERTY PORTFOLIOS	11,623	8.17
	BOND PORTFOLIOS – 19.12% (31.10.21 – 20.40%)		
88,110	Eastspring Asian Bond	888	0.62
317,065	Eastspring Asian Local Bond	2,778	1.95
416,817	Eastspring US Corporate Bond	4,460	3.13
328,082	M&G Credit Income Investment Trust ¹	327	0.23
3,272,936	M&G Emerging Markets Bond ¹	3,313	2.33
17,356	M&G European Credit Investment ¹	1,881	1.32
313,994	M&G Global Convertibles ¹	780	0.55
2,675,833	M&G Global High Yield Bond ¹	3,653	2.57
1,114,858	M&G Short Dated Corporate Bond ¹	282	0.20
6,023,682	M&G Sterling Investment Grade Corporate Bond ¹	5,545	3.90
2,703,198	M&G Strategic Corporate Bond ¹	3,296	2.32
	TOTAL BOND PORTFOLIOS	27,203	19.12
	FUTURES – (0.06)% (31.10.21 – 0.07%) ⁴		
18	EURO STOXX 50 Index Futures June 2022	(13)	(0.01)
8	FTSE 100 Index Futures June 2022	18	0.01
40	FTSE China A50 Index Futures May 2022	4	–
122	FTSE/JSE Top 40 Index Futures June 2022	(33)	(0.02)
8	US Treasury Note 10 Year Futures June 2022	(55)	(0.04)
	TOTAL FUTURES	(79)	(0.06)

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	Portfolio of investments ⁵	132,857	93.39
	Net other assets	9,409	6.61
	Net assets	<u>142,266</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED ACTIVE 5

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	39,357	Total sales for the half year £'000	28,878
Major purchases	Cost £'000	Major sales	Proceeds £'000
M&G Sterling Investment Grade Corporate Bond	5,795	Royal London Corporate Bond	4,847
FTSE/JSE Top 40 Index Futures March 2022	4,574	FTSE/JSE Top 40 Index Futures March 2022	4,708
M&G (LUX) Europe Ex UK Equity NPV	4,340	FTSE/JSE Top 40 Index Futures December 2021	4,562
FTSE/JSE Top 40 Index Futures June 2022	3,944	M&G European Select	4,165
M&G (ACS) BlackRock US Equity	2,609	M&G North American Value	3,736
M&G (ACS) UK 200 Index	2,522	M&G European Credit Investment	3,340
FTSE/JSE Top 40 Index Futures December 2021	2,447	FTSE 100 Index Futures December 2021	2,726
M&G European Credit Investment	2,206	FTSE 100 Index Futures March 2022	2,171
FTSE 100 Index Futures March 2022	2,120	M&G Recovery	1,922
iShares Asia Property Yield	2,105	Eastspring Global Emerging Markets Customized Equity	1,631

In addition to the above, purchases totalling £903,301,000 and sales totalling £899,381,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED ACTIVE 5
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(3,537)		21,201
Revenue	1,495		1,188	
Expenses	(294)		(264)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	1,200		923	
Taxation	(80)		(693)	
Net revenue after taxation		1,120		230
Total return before distributions		(2,417)		21,431
Distributions ¹		13		(12)
Change in net assets attributable to shareholders from investment activities		(2,404)		21,419

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		141,038		117,530
Amounts receivable on issue of shares	10,268		7,073	
Amounts payable on redemption of shares	(6,636)		(10,182)	
		3,632		(3,109)
Change in net assets attributable to shareholders from investment activities		(2,404)		21,419
Closing net assets attributable to shareholders		142,266		135,840

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED ACTIVE 5
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	132,958	125,646
Current assets		
Debtors	1,721	7,700
Cash and cash equivalents	8,088	17,785
Total assets	<u>142,767</u>	<u>151,131</u>
LIABILITIES		
Investment liabilities	(101)	(34)
Creditors		
Distribution payable	–	(1,003)
Other creditors	(400)	(9,056)
Total liabilities	<u>(501)</u>	<u>(10,093)</u>
Net assets attributable to shareholders	<u>142,266</u>	<u>141,038</u>

LF PRUDENTIAL RISK MANAGED ACTIVE 5
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Passive Fund 1 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 9%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 9%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in passive collective investment schemes (e.g. funds which track an index). The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a high exposure to lower risk assets such as fixed income assets and cash. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 0-35% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 0-35% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Passive Fund 1

30 June 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Emerging markets bonds increased, and Asian bonds added to provide more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 1 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	148.60	142.33	140.42	135.22
Return before operating charges*	(9.60)	8.67	4.37	8.84
Operating charges	(0.41)	(0.80)	(0.79)	(1.07)
Return after operating charges	(10.01)	7.87	3.58	7.77
Distributions	–	(1.60)	(1.67)	(2.57)
Closing net asset value per share	138.59	148.60	142.33	140.42
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(6.74)%	5.53%	2.55%	5.75%
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OTHER INFORMATION

Closing net asset value (£'000)	178	192	190	185
Closing number of shares	128,376	129,070	133,580	131,409
Operating charges	0.56%	0.54%	0.56%	0.77%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	151.54	153.24	147.59	146.49
Lowest share price	138.56	142.89	125.95	132.18

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	193.57	183.43	178.90	169.24
Return before operating charges*	(12.50)	11.18	5.54	10.98
Operating charges	(0.53)	(1.04)	(1.01)	(1.32)
Return after operating charges	(13.03)	10.14	4.53	9.66
Distributions	–	(2.06)	(2.12)	(3.19)
Retained distributions on accumulation shares	–	2.06	2.12	3.19
Closing net asset value per share	180.54	193.57	183.43	178.90
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(6.73)%	5.53%	2.53%	5.71%
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OTHER INFORMATION

Closing net asset value (£'000)	6,741	8,917	8,072	7,638
Closing number of shares	3,733,915	4,606,630	4,400,650	4,269,527
Operating charges	0.56%	0.54%	0.56%	0.76%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	197.34	197.38	187.96	183.26
Lowest share price	180.43	184.14	160.48	165.73

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	148.76	142.49	140.57	135.37
Return before operating charges*	(9.62)	8.69	4.39	8.81
Operating charges	(0.06)	(0.09)	(0.11)	(0.11)
Return after operating charges	(9.68)	8.60	4.28	8.70
Distributions	–	(2.33)	(2.36)	(3.50)
Closing net asset value per share	139.08	148.76	142.49	140.57
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(6.51)%	6.04%	3.05%	6.43%
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OTHER INFORMATION

Closing net asset value (£'000)	126,227	142,839	146,566	150,260
Closing number of shares	90,759,444	96,017,352	102,860,648	106,894,445
Operating charges	0.08%	0.06%	0.08%	0.08%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	151.79	154.05	148.37	147.47
Lowest share price	139.04	143.06	126.35	132.60

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	120.65	115.56	113.99	109.78
Return before operating charges*	(7.81)	7.06	3.57	7.57
Operating charges	(0.18)	(0.36)	(0.36)	(0.88)
Return after operating charges	(7.99)	6.70	3.21	6.69
Distributions	–	(1.61)	(1.64)	(2.48)
Closing net asset value per share	112.66	120.65	115.56	113.99
* after direct transaction costs of:	–	–	–	–

PERFORMANCE

Return after charges	(6.62)%	5.80%	2.82%	6.10%
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OTHER INFORMATION

Closing net asset value (£'000)	10,142	9,909	7,584	6,937
Closing number of shares	9,002,174	8,212,970	6,563,274	6,085,800
Operating charges	0.31%	0.30%	0.31%	0.39%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	123.13	124.82	120.21	119.42
Lowest share price	112.69	116.15	102.36	107.43

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	142.23	134.44	130.77	123.25
Return before operating charges*	(9.20)	8.21	4.08	8.02
Operating charges	(0.22)	(0.42)	(0.41)	(0.50)
Return after operating charges	(9.42)	7.79	3.67	7.52
Distributions	–	(1.87)	(1.87)	(2.79)
Retained distributions on accumulation shares	–	1.87	1.87	2.79
Closing net asset value per share	132.81	142.23	134.44	130.77
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(6.62)%	5.79%	2.81%	6.10%
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OTHER INFORMATION

Closing net asset value (£'000)	152,158	169,829	127,914	102,315
Closing number of shares	114,569,250	119,408,070	95,148,111	78,241,121
Operating charges	0.31%	0.30%	0.31%	0.39%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	145.11	145.13	137.85	134.02
Lowest share price	132.81	135.11	117.42	120.85

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	155.24	147.10	143.45	135.54
Return before operating charges*	(10.04)	8.97	4.46	8.79
Operating charges	(0.42)	(0.83)	(0.81)	(0.88)
Return after operating charges	(10.46)	8.14	3.65	7.91
Distributions	–	(1.66)	(1.71)	(2.72)
Retained distributions on accumulation shares	–	1.66	1.71	2.72
Closing net asset value per share	144.78	155.24	147.10	143.45
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(6.74)%	5.53%	2.54%	5.84%
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OTHER INFORMATION

Closing net asset value (£'000)	21,262	25,175	20,997	20,852
Closing number of shares	14,685,841	16,217,243	14,273,782	14,536,443
Operating charges	0.56%	0.54%	0.56%	0.63%
Direct transaction costs	–	–	–	–

PRICES

Highest share price	158.31	158.39	150.81	147.04
Lowest share price	144.75	147.77	128.69	132.83

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Passive Fund 1	(6.79)	(6.03)	3.96	10.88
IA Mixed Investment 0-35% shares sector ¹	(4.18)	(3.02)	5.41	9.45

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 23.74% (31.10.21 – 21.62%)		
	CONTINENTAL EUROPE – 3.43% (31.10.21 – 3.10%)		
2,963,238	Legal & General European Index	9,678	3.06
1,273,931	M&G (LUX) Pan European Sustain Paris Aligned ¹	1,156	0.37
	TOTAL CONTINENTAL EUROPE	<u>10,834</u>	<u>3.43</u>
	UNITED KINGDOM – 9.44% (31.10.21 – 8.25%)		
12,258,160	iShares UK Equity Index	25,235	7.97
2,731,615	Legal & General UK Index	4,532	1.43
47,294	Petershill Partners	121	0.04
	TOTAL UNITED KINGDOM	<u>29,888</u>	<u>9.44</u>
	ASIA EX JAPAN – 4.21% (31.10.21 – 3.99%)		
5,594,328	iShares Pacific ex Japan Equity Index	13,324	4.21
	TOTAL ASIA EX JAPAN	<u>13,324</u>	<u>4.21</u>
	JAPAN – 1.70% (31.10.21 – 1.62%)		
2,315,309	iShares Japan Equity Index	5,397	1.70
	TOTAL JAPAN	<u>5,397</u>	<u>1.70</u>
	NORTH AMERICA – 2.61% (31.10.21 – 2.72%)		
1,860,817	iShares US Equity Index	8,277	2.61
1,000	M&G (ACS) BlackRock US Equity ¹	1	–
	TOTAL NORTH AMERICA	<u>8,278</u>	<u>2.61</u>
	EMERGING MARKETS – 2.35% (31.10.21 – 1.94%)		
2,821,545	iShares Emerging Markets Equity Index	4,983	1.57
148,498	iShares MSCI India	880	0.28
996,896	M&G (ACS) China ¹	775	0.25
1,075,594	M&G (ACS) China Equity ¹	803	0.25
	TOTAL EMERGING MARKETS	<u>7,441</u>	<u>2.35</u>
	TOTAL EQUITY PORTFOLIOS	<u>75,162</u>	<u>23.74</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY INVESTMENT INSTRUMENTS – 1.58% (31.10.21 – 1.64%)		
253,276	BBGI ²	430	0.14
11,953	BH Macro ²	506	0.16
427,271	BioPharma Credit ²	338	0.11
460,040	Blue Capital Alternative Income ^{2,3}	–	–
19,271	Boussard & Gavaudan ²	382	0.12
506,848	DP Aircraft I ²	6	–
315,766	Ecofin US Renewables Infrastructure Trust ²	267	0.08
40,009	HarbourVest Global Private Equity ²	1,022	0.32
100,442	HgCapital ²	427	0.14
266,337	NB Distressed Debt Investment ²	125	0.04
311,792	NextEnergy Solar ²	336	0.11
16,382	Princess Private Equity ²	171	0.05
219,807	Renewables Infrastructure ²	296	0.09
341,994	Round Hill Music Royalty ²	291	0.09
335,750	SDCL Energy Efficiency Income ²	408	0.13
	TOTAL EQUITY INVESTMENT INSTRUMENTS	5,005	1.58
	PROPERTY PORTFOLIOS – 0.20% (31.10.21 – 0.00%)		
97,364	iShares UK Property	630	0.20
	TOTAL PROPERTY PORTFOLIOS	630	0.20
	BOND PORTFOLIOS – 68.88% (31.10.21 – 67.03%)		
288,321	Eastspring Asian Bond	2,905	0.92
1,013,087	Eastspring Asian Local Bond	8,876	2.80
55,553,857	iShares Corporate Bond Index	81,209	25.64
2,430,503	iShares Euro Investment Grade Corporate Bond Index	24,225	7.65
6,182,877	iShares US Corporate Bond Index	51,054	16.12
1,674,273	iShares USD Treasury Bond	7,733	2.44
10,338,016	M&G Emerging Markets Bond ¹	10,465	3.30
6,464,209	M&G European Corporate Bond ¹	6,654	2.10

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
4,959,869	M&G Global High Yield Bond ¹	6,770	2.14
1,818,436	M&G Sterling Investment Grade Corporate Bond ¹	1,674	0.53
13,610,499	M&G Strategic Corporate Bond ¹	16,594	5.24
	TOTAL BOND PORTFOLIOS	<u>218,159</u>	<u>68.88</u>
	FUTURES – (0.02)% (31.10.21 – 0.06%) ⁴		
14	E Mini Russell 2000 Index Futures June 2022	(62)	(0.02)
20	EURO STOXX 50 Index Futures June 2022	(14)	–
13	FTSE 100 Index Futures June 2022	29	0.01
66	FTSE China A50 Index Futures May 2022	7	–
52	FTSE/JSE Top 40 Futures June 2022	(14)	–
11	S&P 500 E Mini Index Futures June 2022	(49)	(0.02)
7	TOPIX Index Futures June 2022	46	0.01
	TOTAL FUTURES	<u>(57)</u>	<u>(0.02)</u>
	Portfolio of investments ⁵	298,899	94.38
	Net other assets	<u>17,809</u>	<u>5.62</u>
	Net assets	<u>316,708</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	31,385	Total sales for the half year £'000	32,125
	Cost £'000		Proceeds £'000
Major purchases		Major sales	
Eastspring Asian Local Bond	9,497	M&G Strategic Corporate Bond	4,255
S&P 500 E Mini Index Futures March 2022	4,478	S&P 500 E Mini Index Futures March 2022	4,218
EURO STOXX 50 Index Futures March 2022	4,259	EURO STOXX 50 Index Futures March 2022	4,056
M&G Emerging Markets Bond	4,059	M&G Global High Yield Bond	3,786
S&P 500 E Mini Index Futures June 2022	3,402	iShares Corporate Bond Index	3,697
Eastspring Asian Bond	3,221	iShares Euro Investment Grade Corporate Bond Index	3,269
EURO STOXX 50 Index Futures June 2022	3,197	Legal & General UK Index	3,184
iShares UK Equity Index	2,627	EURO STOXX 50 Index Futures June 2022	2,561
FTSE 100 Index Futures March 2022	2,447	FTSE 100 Index Futures March 2022	2,461
FTSE 100 Index Futures June 2022	2,085	iShares US Corporate Bond Index	2,315

In addition to the above, purchases totalling £2,751,681,000 and sales totalling £2,766,290,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(25,251)		13,335
Revenue	2,489		2,328	
Expenses	(300)		(270)	
Interest payable and similar charges	(2)		(2)	
Net revenue before taxation	2,187		2,056	
Taxation	—		—	
Net revenue after taxation		2,187		2,056
Total return before distributions		(23,064)		15,391
Distributions ¹		(69)		(6)
Change in net assets attributable to shareholders from investment activities		(23,133)		15,385

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		356,861		311,323
Amounts receivable on issue of shares	10,555		31,891	
Amounts payable on redemption of shares	(27,575)		(18,121)	
		(17,020)		13,770
Change in net assets attributable to shareholders from investment activities		(23,133)		15,385
Closing net assets attributable to shareholders		316,708		340,478

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	299,038	322,435
Current assets		
Debtors	364	7,163
Cash and cash equivalents	19,013	34,936
Total assets	<u>318,415</u>	<u>364,534</u>
LIABILITIES		
Investment liabilities	(139)	(17)
Creditors		
Bank overdrafts	(31)	–
Distribution payable	–	(2,371)
Other creditors	(1,537)	(5,285)
Total liabilities	<u>(1,707)</u>	<u>(7,673)</u>
Net assets attributable to shareholders	<u>316,708</u>	<u>356,861</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 1
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Passive Fund 2 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 10%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 10%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in passive collective investment schemes (e.g. funds which track an index). The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a bias towards lower risk assets such as fixed income assets and cash but will always have some exposure to equities. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 20-60% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 20-60% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Passive Fund 2

30 June 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Emerging markets bonds increased, and Asian bonds added to provide more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 2 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2**ACD'S REPORT** *continued***FUND INFORMATION** *continued***Comparative Tables**

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	126.08	117.74	117.23	112.15
Return before operating charges*	(6.93)	10.63	2.70	7.71
Operating charges	(0.35)	(0.67)	(0.65)	(0.81)
Return after operating charges	(7.28)	9.96	2.05	6.90
Distributions	–	(1.62)	(1.54)	(1.82)
Closing net asset value per share	118.80	126.08	117.74	117.23
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(5.77)%	8.46%	1.75%	6.15%
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OTHER INFORMATION

Closing net asset value (£'000)	–	–	–	–
Closing number of shares	250	250	250	250
Operating charges	0.57%	0.53%	0.55%	0.69%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	129.02	130.71	123.06	122.20
Lowest share price	118.70	118.71	103.92	109.17

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	137.88	127.34	125.45	118.02
Return before operating charges*	(7.76)	11.25	2.57	8.28
Operating charges	(0.38)	(0.71)	(0.68)	(0.85)
Return after operating charges	(8.14)	10.54	1.89	7.43
Distributions	–	(1.35)	(1.29)	(2.00)
Retained distributions on accumulation shares	–	1.35	1.29	2.00
Closing net asset value per share	129.74	137.88	127.34	125.45
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(5.90)%	8.28%	1.51%	6.29%
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OTHER INFORMATION

Closing net asset value (£'000)	701	342	128	21
Closing number of shares	540,594	247,622	100,053	17,023
Operating charges	0.57%	0.53%	0.55%	0.69%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	140.92	140.63	131.06	128.57
Lowest share price	129.53	128.00	110.83	115.05

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	111.96	104.45	103.93	99.27
Return before operating charges*	(6.36)	9.11	2.07	7.03
Operating charges	(0.04)	(0.06)	(0.07)	(0.14)
Return after operating charges	(6.40)	9.05	2.00	6.89
Distributions	–	(1.54)	(1.48)	(2.23)
Closing net asset value per share	105.56	111.96	104.45	103.93
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(5.72)%	8.66%	1.92%	6.94%
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OTHER INFORMATION

Closing net asset value (£'000)	9,486	9,760	3,801	1,022
Closing number of shares	8,986,702	8,717,157	3,639,546	983,376
Operating charges	0.08%	0.05%	0.07%	0.14%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	114.35	115.57	108.81	108.56
Lowest share price	105.24	104.84	91.84	96.84

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	126.71	118.17	117.64	112.38
Return before operating charges*	(7.17)	10.40	2.34	8.03
Operating charges	(0.19)	(0.35)	(0.35)	(0.53)
Return after operating charges	(7.36)	10.05	1.99	7.50
Distributions	–	(1.51)	(1.46)	(2.24)
Closing net asset value per share	119.35	126.71	118.17	117.64
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(5.81)%	8.50%	1.69%	6.67%
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OTHER INFORMATION

Closing net asset value (£'000)	12,430	12,661	6,644	3,139
Closing number of shares	10,414,833	9,992,283	5,622,387	2,668,501
Operating charges	0.31%	0.28%	0.30%	0.45%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	129.48	130.71	123.10	122.78
Lowest share price	119.11	118.76	103.99	109.54

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	141.20	130.15	127.96	119.95
Return before operating charges*	(7.99)	11.44	2.57	8.53
Operating charges	(0.21)	(0.39)	(0.38)	(0.52)
Return after operating charges	(8.20)	11.05	2.19	8.01
Distributions	–	(1.66)	(1.59)	(2.39)
Retained distributions on accumulation shares	–	1.66	1.59	2.39
Closing net asset value per share	133.00	141.20	130.15	127.96
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(5.81)%	8.49%	1.71%	6.68%
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OTHER INFORMATION

Closing net asset value (£'000)	216,649	225,236	107,773	47,275
Closing number of shares	162,895,313	159,513,783	82,807,685	36,944,580
Operating charges	0.31%	0.28%	0.30%	0.42%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	144.27	143.93	133.89	131.05
Lowest share price	132.70	130.78	113.11	117.04

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	139.44	128.78	126.86	119.16
Return before operating charges*	(7.85)	11.39	2.62	8.55
Operating charges	(0.38)	(0.73)	(0.70)	(0.85)
Return after operating charges	(8.23)	10.66	1.92	7.70
Distributions	–	(1.37)	(1.33)	(2.12)
Retained distributions on accumulation shares	–	1.37	1.33	2.12
Closing net asset value per share	131.21	139.44	128.78	126.86
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(5.90)%	8.28%	1.51%	6.46%
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OTHER INFORMATION

Closing net asset value (£'000)	32,426	33,792	23,477	19,020
Closing number of shares	24,712,830	24,233,686	18,229,520	14,993,715
Operating charges	0.56%	0.53%	0.55%	0.70%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	142.45	142.19	132.52	130.00
Lowest share price	130.94	129.42	112.06	116.23

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Passive Fund 2	(6.00)	(4.93)	6.92	14.50
IA Mixed Investment 20-60% shares sector ¹	(3.93)	(2.18)	9.38	15.50

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 32.65% (31.10.21 – 30.15%)		
	CONTINENTAL EUROPE – 4.76% (31.10.21 – 4.33%)		
3,545,781	Legal & General European Index	11,580	4.26
1,492,696	M&G (LUX) Pan European Sustain Paris Aligned ¹	1,355	0.50
	TOTAL CONTINENTAL EUROPE	<u>12,935</u>	<u>4.76</u>
	UNITED KINGDOM – 12.85% (31.10.21 – 11.66%)		
16,691,929	iShares UK Equity Index	34,363	12.65
254,054	Legal & General UK Index	421	0.16
45,883	Petershill Partners	117	0.04
	TOTAL UNITED KINGDOM	<u>34,901</u>	<u>12.85</u>
	ASIA EX JAPAN – 5.91% (31.10.21 – 5.51%)		
6,739,137	iShares Pacific ex Japan Equity Index	16,050	5.91
	TOTAL ASIA EX JAPAN	<u>16,050</u>	<u>5.91</u>
	JAPAN – 2.20% (31.10.21 – 2.14%)		
2,561,630	iShares Japan Equity Index	5,971	2.20
	TOTAL JAPAN	<u>5,971</u>	<u>2.20</u>
	NORTH AMERICA – 3.68% (31.10.21 – 4.17%)		
1,985,339	iShares US Equity Index	8,830	3.25
1,106,828	M&G (ACS) BlackRock US Equity ¹	1,181	0.43
	TOTAL NORTH AMERICA	<u>10,011</u>	<u>3.68</u>
	EMERGING MARKETS – 3.25% (31.10.21 – 2.60%)		
3,367,734	iShares Emerging Markets Equity Index	5,948	2.19
166,196	iShares MSCI India	985	0.36
1,242,984	M&G (ACS) China ¹	966	0.36
1,239,999	M&G (ACS) China Equity ¹	926	0.34
	TOTAL EMERGING MARKETS	<u>8,825</u>	<u>3.25</u>
	TOTAL EQUITY PORTFOLIOS	<u>88,693</u>	<u>32.65</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY INVESTMENT INSTRUMENTS – 1.78% (31.10.21 – 1.88%)		
243,657	BBGI ²	414	0.15
11,540	BH Macro ²	488	0.18
414,454	BioPharma Credit ²	328	0.12
58,845	Blue Capital Alternative Income ^{2,3}	–	–
19,653	Boussard & Gavaudan ²	390	0.14
154,902	DP Aircraft I ²	2	–
315,286	Ecofin US Renewables Infrastructure Trust ²	266	0.10
40,882	HarbourVest Global Private Equity ²	1,045	0.38
102,860	HgCapital ²	437	0.16
47,034	NB Distressed Debt Investment ²	22	0.01
300,697	NextEnergy Solar ²	324	0.12
16,788	Princess Private Equity ²	175	0.06
211,423	Renewables Infrastructure ²	285	0.11
261,577	Round Hill Music Royalty ²	223	0.08
83,762	Round Hill Music Royalty 'C' ²	64	0.02
324,780	SDCL Energy Efficiency Income ²	395	0.15
	TOTAL EQUITY INVESTMENT INSTRUMENTS	4,858	1.78
	PROPERTY PORTFOLIOS – 0.20% (31.10.21 – 0.00%)		
83,003	iShares UK Property	537	0.20
	TOTAL PROPERTY PORTFOLIOS	537	0.20
	BOND PORTFOLIOS – 59.11% (31.10.21 – 57.08%)		
195,746	Eastspring Asian Bond	1,972	0.73
749,649	Eastspring Asian Local Bond	6,568	2.42
39,879,312	iShares Corporate Bond Index	58,295	21.46
1,727,227	iShares Euro Investment Grade Corporate Bond Index	17,216	6.34
4,477,168	iShares US Corporate Bond Index	36,969	13.61
1,205,920	iShares USD Treasury Bond	5,570	2.05
8,267,917	M&G Emerging Markets Bond ¹	8,370	3.08
4,739,564	M&G European Corporate Bond ¹	4,879	1.79

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
5,123,918	M&G Global High Yield Bond ¹	6,994	2.57
999,151	M&G Sterling Investment Grade Corporate Bond ¹	920	0.34
10,531,325	M&G Strategic Corporate Bond ¹	12,840	4.72
	TOTAL BOND PORTFOLIOS	<u>160,593</u>	<u>59.11</u>
	FUTURES – (0.01)% (31.10.21 – 0.06%) ⁴		
15	E Mini Russell 2000 Index Futures June 2022	(67)	(0.01)
19	EURO STOXX 50 Index Futures June 2022	(14)	(0.01)
20	FTSE 100 Index Futures June 2022	46	0.02
60	FTSE China A50 Index Futures May 2022	6	–
61	FTSE/JSE Top 40 Futures June 2022	(16)	(0.01)
10	S&P 500 E Mini Index Futures June 2022	(44)	(0.02)
10	TOPIX Index Futures June 2022	66	0.02
	TOTAL FUTURES	<u>(23)</u>	<u>(0.01)</u>
	Portfolio of investments ⁵	254,658	93.73
	Net other assets	17,034	6.27
	Net assets	<u>271,692</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	36,058	Total sales for the half year £'000	17,076
Major purchases	Cost £'000	Major sales	Proceeds £'000
Eastspring Asian Local Bond	6,714	EURO STOXX 50 Index Futures March 2022	4,492
EURO STOXX 50 Index Futures March 2022	4,727	S&P 500 E Mini Index Futures March 2022	3,406
iShares UK Equity Index	4,046	EURO STOXX 50 Index Futures June 2022	3,194
iShares Corporate Bond Index	3,870	Legal & General UK Index	3,176
EURO STOXX 50 Index Futures June 2022	3,799	FTSE 100 Index Futures March 2022	2,896
S&P 500 E Mini Index Futures March 2022	3,624	EURO STOXX 50 Index Futures December 2021	2,394
M&G Emerging Markets Bond	3,287	iShares US Equity Index	2,303
FTSE 100 Index Futures March 2022	2,861	M&G Strategic Corporate Bond	2,181
S&P 500 E Mini Index Futures June 2022	2,592	FTSE 100 Index Futures December 2021	1,970
FTSE 100 Index Futures June 2022	2,516	FTSE/JSE Top 40 Futures March 2022	1,962

In addition to the above, purchases totalling £2,356,848,000 and sales totalling £2,392,755,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(18,540)		9,922
Revenue	2,102		1,207	
Expenses	(376)		(249)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	1,725		957	
Taxation	(177)		(101)	
Net revenue after taxation		1,548		856
Total return before distributions		(16,992)		10,778
Distributions ¹		(9)		160
Change in net assets attributable to shareholders from investment activities		(17,001)		10,938

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		281,791		141,823
Amounts receivable on issue of shares	19,186		70,262	
Amounts payable on redemption of shares	(12,284)		(1,796)	
		6,902		68,466
Change in net assets attributable to shareholders from investment activities		(17,001)		10,938
Closing net assets attributable to shareholders		271,692		221,227

The above statement shows the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	254,799	252,038
Current assets		
Debtors	536	2,099
Cash and cash equivalents	17,306	28,546
Total assets	<u>272,641</u>	<u>282,683</u>
LIABILITIES		
Investment liabilities	(141)	(28)
Creditors		
Bank overdrafts	(16)	–
Distribution payable	–	(285)
Other creditors	(792)	(579)
Total liabilities	<u>(949)</u>	<u>(892)</u>
Net assets attributable to shareholders	<u>271,692</u>	<u>281,791</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 2
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Passive Fund 3 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 12%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 12%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in passive collective investment schemes (e.g. funds which track an index). The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will be balanced between lower risk assets, such as fixed income assets and cash, and higher risk assets, such as equities. From time to time, however, the Fund may have a higher exposure to either higher risk or lower risk assets with the aim of meeting the Fund's objective. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 20-60% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 20-60% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Passive Fund 3

30 June 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Emerging markets bonds increased, and Asian bonds added to provide more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 3 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	157.24	142.28	143.53	137.36
Return before operating charges*	(7.30)	17.67	1.39	9.97
Operating charges	(0.43)	(0.85)	(0.83)	(1.16)
Return after operating charges	(7.73)	16.82	0.56	8.81
Distributions	–	(1.86)	(1.81)	(2.64)
Closing net asset value per share	149.51	157.24	142.28	143.53
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(4.92)%	11.82%	0.39%	6.42%
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OTHER INFORMATION

Closing net asset value (£'000)	372	399	278	204
Closing number of shares	248,518	253,653	195,301	142,571
Operating charges	0.56%	0.55%	0.58%	0.82%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	160.92	162.03	149.37	150.37
Lowest share price	147.57	142.94	123.87	133.37

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	201.37	180.09	179.39	168.56
Return before operating charges*	(9.34)	22.36	1.74	12.19
Operating charges	(0.56)	(1.08)	(1.04)	(1.36)
Return after operating charges	(9.90)	21.28	0.70	10.83
Distributions	–	(2.35)	(2.27)	(3.24)
Retained distributions on accumulation shares	–	2.35	2.27	3.24
Closing net asset value per share	191.47	201.37	180.09	179.39
* after direct transaction costs of:	0.01	0.01	0.01	–

PERFORMANCE

Return after charges	(4.92)%	11.82%	0.39%	6.43%
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OTHER INFORMATION

Closing net asset value (£'000)	10,688	11,375	8,849	10,185
Closing number of shares	5,582,227	5,648,923	4,913,893	5,677,611
Operating charges	0.56%	0.55%	0.58%	0.78%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	205.99	204.92	186.56	184.41
Lowest share price	188.91	180.79	154.69	163.69

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	156.86	141.92	143.16	137.00
Return before operating charges*	(7.37)	17.50	1.26	9.72
Operating charges	(0.06)	(0.11)	(0.14)	(0.16)
Return after operating charges	(7.43)	17.39	1.12	9.56
Distributions	–	(2.45)	(2.36)	(3.40)
Closing net asset value per share	149.43	156.86	141.92	143.16
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(4.74)%	12.26%	0.78%	6.98%
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OTHER INFORMATION

Closing net asset value (£'000)	94,158	97,707	74,400	69,291
Closing number of shares	63,011,939	62,289,192	52,423,828	48,399,611
Operating charges	0.08%	0.07%	0.10%	0.11%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	160.61	162.20	149.18	150.67
Lowest share price	147.43	142.62	123.78	133.28

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	132.67	120.04	121.08	115.88
Return before operating charges*	(6.20)	14.85	1.13	8.27
Operating charges	(0.20)	(0.39)	(0.40)	(0.49)
Return after operating charges	(6.40)	14.46	0.73	7.78
Distributions	–	(1.83)	(1.77)	(2.58)
Closing net asset value per share	126.27	132.67	120.04	121.08
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(4.82)%	12.05%	0.60%	6.71%
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OTHER INFORMATION

Closing net asset value (£'000)	22,494	21,610	11,985	8,296
Closing number of shares	17,814,289	16,287,851	9,984,309	6,851,594
Operating charges	0.31%	0.30%	0.33%	0.41%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	135.86	137.07	126.20	127.28
Lowest share price	124.66	120.72	104.70	112.74

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	156.28	139.48	138.66	129.90
Return before operating charges*	(7.31)	17.26	1.28	9.31
Operating charges	(0.24)	(0.46)	(0.46)	(0.55)
Return after operating charges	(7.55)	16.80	0.82	8.76
Distributions	–	(2.13)	(2.02)	(2.89)
Retained distributions on accumulation shares	–	2.13	2.02	2.89
Closing net asset value per share	148.73	156.28	139.48	138.66
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(4.83)%	12.04%	0.59%	6.74%
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OTHER INFORMATION

Closing net asset value (£'000)	396,076	390,753	208,599	139,149
Closing number of shares	266,299,322	250,036,221	149,558,267	100,354,859
Operating charges	0.31%	0.30%	0.33%	0.41%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	159.98	159.15	144.42	142.62
Lowest share price	146.79	140.18	119.81	126.42

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	179.38	160.42	159.80	150.01
Return before operating charges*	(8.34)	19.92	1.54	10.83
Operating charges	(0.49)	(0.96)	(0.92)	(1.04)
Return after operating charges	(8.83)	18.96	0.62	9.79
Distributions	–	(2.09)	(2.02)	(3.02)
Retained distributions on accumulation shares	–	2.09	2.02	3.02
Closing net asset value per share	170.55	179.38	160.42	159.80
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(4.92)%	11.82%	0.39%	6.53%
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OTHER INFORMATION

Closing net asset value (£'000)	53,955	52,343	33,689	27,543
Closing number of shares	31,635,662	29,179,891	21,000,329	17,236,484
Operating charges	0.56%	0.55%	0.58%	0.67%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	183.53	182.61	166.25	164.33
Lowest share price	168.31	161.12	137.86	145.84

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Passive Fund 3	(4.84)	(3.34)	10.18	19.22
IA Mixed Investment 20-60% shares sector ¹	(3.93)	(2.18)	9.38	15.50

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 42.98% (31.10.21 – 40.88%)		
	CONTINENTAL EUROPE – 6.31% (31.10.21 – 5.91%)		
9,986,967	Legal & General European Index	32,617	5.65
4,216,002	M&G (LUX) Pan European Sustain Paris Aligned ¹	3,826	0.66
	TOTAL CONTINENTAL EUROPE	<u>36,443</u>	<u>6.31</u>
	UNITED KINGDOM – 16.89% (31.10.21 – 15.91%)		
37,736,789	iShares UK Equity Index	77,687	13.45
11,820,255	Legal & General UK Index	19,610	3.39
108,411	Petershill Partners	276	0.05
	TOTAL UNITED KINGDOM	<u>97,573</u>	<u>16.89</u>
	ASIA EX JAPAN – 7.78% (31.10.21 – 7.30%)		
18,865,760	iShares Pacific ex Japan Equity Index	44,932	7.78
	TOTAL ASIA EX JAPAN	<u>44,932</u>	<u>7.78</u>
	JAPAN – 2.83% (31.10.21 – 2.78%)		
7,011,943	iShares Japan Equity Index	16,344	2.83
	TOTAL JAPAN	<u>16,344</u>	<u>2.83</u>
	NORTH AMERICA – 4.89% (31.10.21 – 5.45%)		
5,670,860	iShares US Equity Index	25,223	4.37
2,829,818	M&G (ACS) BlackRock US Equity ¹	3,019	0.52
	TOTAL NORTH AMERICA	<u>28,242</u>	<u>4.89</u>
	EMERGING MARKETS – 4.28% (31.10.21 – 3.53%)		
9,481,548	iShares Emerging Markets Equity Index	16,746	2.90
444,443	iShares MSCI India	2,632	0.46
3,510,123	M&G (ACS) China ¹	2,727	0.47
3,499,379	M&G (ACS) China Equity ¹	2,614	0.45
	TOTAL EMERGING MARKETS	<u>24,719</u>	<u>4.28</u>
	TOTAL EQUITY PORTFOLIOS	<u>248,253</u>	<u>42.98</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY INVESTMENT INSTRUMENTS – 1.98% (31.10.21 – 2.17%)		
572,760	BBGI ²	974	0.17
27,273	BH Macro ²	1,153	0.20
979,262	BioPharma Credit ²	773	0.13
546,860	Blue Capital Alternative Income ^{2,3}	–	–
45,766	Boussard & Gavaudan ²	908	0.16
652,954	DP Aircraft I ²	8	–
763,582	Ecofin US Renewables Infrastructure ²	644	0.11
95,049	HarbourVest Global Private Equity ²	2,428	0.42
238,880	HgCapital ²	1,015	0.18
261,440	NB Distressed Debt Investment ²	123	0.02
706,498	NextEnergy Solar ²	762	0.13
39,052	Princess Private Equity ²	407	0.07
496,943	Renewables Infrastructure ²	670	0.12
650,081	Round Hill Music Royalty ²	553	0.09
146,054	Round Hill Music Royalty 'C' ²	112	0.02
762,936	SDCL Energy Efficiency Income ²	928	0.16
	TOTAL EQUITY INVESTMENT INSTRUMENTS	11,458	1.98
	PROPERTY PORTFOLIOS – 0.20% (31.10.21 – 0.00%)		
175,817	iShares UK Property	1,137	0.20
	TOTAL PROPERTY PORTFOLIOS	1,137	0.20
	BOND PORTFOLIOS – 47.91% (31.10.21 – 47.27%)		
347,664	Eastspring Asian Bond	3,502	0.61
1,269,111	Eastspring Asian Local Bond	11,106	1.92
67,914,398	iShares Corporate Bond Index	99,277	17.18
2,864,944	iShares Euro Investment Grade Corporate Bond Index	28,566	4.94
7,578,593	iShares US Corporate Bond Index	62,601	10.83
2,003,401	iShares USD Treasury Bond	9,254	1.60
16,525,072	M&G Emerging Markets Bond ¹	16,728	2.90
7,842,865	M&G European Corporate Bond ¹	8,074	1.40

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
10,993,769	M&G Global High Yield Bond ¹	15,007	2.60
3,379,176	M&G Sterling Investment Grade Corporate Bond ¹	3,110	0.54
16,074,390	M&G Strategic Corporate Bond ¹	19,598	3.39
	TOTAL BOND PORTFOLIOS	<u>276,823</u>	<u>47.91</u>
	FUTURES – 0.00% (31.10.21 – 0.06%) ⁴		
41	E Mini Russell 2000 Index Futures June 2022	(181)	(0.03)
57	EURO STOXX 50 Index Futures June 2022	(41)	(0.01)
58	FTSE 100 Index Futures June 2022	131	0.02
132	FTSE China A50 Index Futures May 2022	6	–
168	FTSE/JSE Top 40 Futures June 2022	(45)	(0.01)
24	S&P 500 E Mini Index Futures June 2022	(106)	(0.02)
30	TOPIX Index Futures June 2022	256	0.05
	TOTAL FUTURES	<u>20</u>	<u>–</u>
	Portfolio of investments ⁵	537,691	93.07
	Net other assets	40,052	6.93
	Net assets	<u>577,743</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	81,070	Total sales for the half year £'000	34,116
	Cost £'000		Proceeds £'000
Major purchases		Major sales	
Eastspring Asian Local Bond	11,366	EURO STOXX 50 Index Futures March 2022	10,094
EURO STOXX 50 Index Futures March 2022	10,614	FTSE 100 Index Futures March 2022	7,312
iShares UK Equity Index	9,140	S&P 500 E Mini Index Futures March 2022	7,299
EURO STOXX 50 Index Futures June 2022	8,927	EURO STOXX 50 Index Futures June 2022	7,109
S&P 500 E Mini Index Futures March 2022	7,778	Legal & General UK Index	5,803
iShares Corporate Bond Index	7,645	EURO STOXX 50 Index Futures December 2021	5,504
FTSE 100 Index Futures March 2022	7,206	FTSE/JSE Top 40 Futures March 2022	5,404
FTSE 100 Index Futures June 2022	6,470	M&G Strategic Corporate Bond	5,308
M&G Emerging Markets Bond	6,135	FTSE/JSE Top 40 Futures December 2021	5,250
iShares US Corporate Bond Index	5,687	iShares US Equity Index	5,105

In addition to the above, purchases totalling £4,922,652,000 and sales totalling £4,932,114,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(33,093)		33,438
Revenue	4,659		2,995	
Expenses	(676)		(457)	
Interest payable and similar charges	(4)		(1)	
Net revenue before taxation	3,979		2,537	
Taxation	(322)		(212)	
Net revenue after taxation		3,657		2,325
Total return before distributions		(29,436)		35,763
Distributions ¹		24		197
Change in net assets attributable to shareholders from investment activities		(29,412)		35,960

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		574,187		337,800
Amounts receivable on issue of shares	50,072		98,308	
Amounts payable on redemption of shares	(17,104)		(7,503)	
		32,968		90,805
Change in net assets attributable to shareholders from investment activities		(29,412)		35,960
Closing net assets attributable to shareholders		577,743		464,565

The above statement shows the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	538,064	519,033
Current assets		
Debtors	1,226	5,624
Cash and cash equivalents	40,441	52,677
Total assets	<u>579,731</u>	<u>577,334</u>
LIABILITIES		
Investment liabilities	(373)	(82)
Creditors		
Bank overdrafts	(49)	–
Distribution payable	–	(1,832)
Other creditors	(1,566)	(1,233)
Total liabilities	<u>(1,988)</u>	<u>(3,147)</u>
Net assets attributable to shareholders	<u>577,743</u>	<u>574,187</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 3
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Passive Fund 4 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 14.5%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 14.5%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in passive collective investment schemes (e.g. funds which track an index). The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a bias towards higher risk assets, such as equities. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Mixed Investment 40-85% shares sector.

The Fund's performance may be compared against the IA Mixed Investment 40-85% shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Passive Fund 4

30 June 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Emerging markets bonds increased, and Asian bonds added to provide more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 4 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	137.44	120.51	123.81	117.40
Return before operating charges*	(4.61)	19.80	(0.55)	9.45
Operating charges	(0.39)	(0.74)	(0.70)	(0.93)
Return after operating charges	(5.00)	19.06	(1.25)	8.52
Distributions	–	(2.13)	(2.05)	(2.11)
Closing net asset value per share	132.44	137.44	120.51	123.81
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(3.64)%	15.82%	(1.01)%	7.26%
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OTHER INFORMATION

Closing net asset value (£'000)	–	–	–	1
Closing number of shares	250	250	250	250
Operating charges	0.57%	0.55%	0.57%	0.76%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	141.14	142.28	129.78	129.87
Lowest share price	129.30	121.30	104.16	113.66

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	150.88	130.62	132.23	123.26
Return before operating charges*	(5.32)	21.07	(0.88)	9.94
Operating charges	(0.42)	(0.81)	(0.73)	(0.97)
Return after operating charges	(5.74)	20.26	(1.61)	8.97
Distributions	–	(1.86)	(1.75)	(2.29)
Retained distributions on accumulation shares	–	1.86	1.75	2.29
Closing net asset value per share	145.14	150.88	130.62	132.23
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(3.80)%	15.51%	(1.22)%	7.28%
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OTHER INFORMATION

Closing net asset value (£'000)	141	134	175	52
Closing number of shares	97,253	88,702	133,758	39,319
Operating charges	0.57%	0.55%	0.57%	0.76%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	154.82	153.61	138.59	136.31
Lowest share price	141.68	131.34	111.20	119.40

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	116.94	102.50	105.20	99.79
Return before operating charges*	(4.17)	16.42	(0.78)	7.95
Operating charges	(0.05)	(0.08)	(0.09)	(0.14)
Return after operating charges	(4.22)	16.34	(0.87)	7.81
Distributions	–	(1.90)	(1.83)	(2.40)
Closing net asset value per share	112.72	116.94	102.50	105.20
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(3.61)%	15.94%	(0.83)%	7.83%
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OTHER INFORMATION

Closing net asset value (£'000)	10,285	10,119	2,354	1,763
Closing number of shares	9,124,059	8,653,710	2,296,850	1,675,970
Operating charges	0.09%	0.07%	0.09%	0.13%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	119.94	120.72	110.14	110.60
Lowest share price	109.87	102.86	88.40	96.54

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	137.78	120.76	123.94	117.58
Return before operating charges*	(4.88)	19.42	(0.84)	9.44
Operating charges	(0.22)	(0.41)	(0.39)	(0.54)
Return after operating charges	(5.10)	19.01	(1.23)	8.90
Distributions	–	(1.99)	(1.95)	(2.54)
Closing net asset value per share	132.68	137.78	120.76	123.94
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(3.70)%	15.74%	(0.99)%	7.57%
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OTHER INFORMATION

Closing net asset value (£'000)	7,304	6,976	2,281	3,498
Closing number of shares	5,505,146	5,063,072	1,888,575	2,822,255
Operating charges	0.32%	0.30%	0.32%	0.44%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	141.42	142.27	129.96	130.32
Lowest share price	129.48	121.43	104.31	113.91

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	154.95	133.89	135.26	125.72
Return before operating charges*	(5.49)	21.51	(0.94)	10.09
Operating charges	(0.25)	(0.45)	(0.43)	(0.55)
Return after operating charges	(5.74)	21.06	(1.37)	9.54
Distributions	–	(2.21)	(2.11)	(2.72)
Retained distributions on accumulation shares	–	2.21	2.11	2.72
Closing net asset value per share	149.21	154.95	133.89	135.26
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(3.70)%	15.73%	(1.01)%	7.59%
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OTHER INFORMATION

Closing net asset value (£'000)	168,141	156,318	71,962	48,039
Closing number of shares	112,685,932	100,880,214	53,746,630	35,515,269
Operating charges	0.32%	0.30%	0.32%	0.42%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	159.01	157.67	141.79	139.32
Lowest share price	145.58	134.58	113.80	121.86

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	153.02	132.48	134.10	124.89
Return before operating charges*	(5.39)	21.35	(0.87)	10.09
Operating charges	(0.43)	(0.81)	(0.75)	(0.88)
Return after operating charges	(5.82)	20.54	(1.62)	9.21
Distributions	–	(1.88)	(1.83)	(2.44)
Retained distributions on accumulation shares	–	1.88	1.83	2.44
Closing net asset value per share	147.20	153.02	132.48	134.10
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(3.80)%	15.50%	(1.21)%	7.37%
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OTHER INFORMATION

Closing net asset value (£'000)	18,170	17,510	11,736	10,100
Closing number of shares	12,343,781	11,442,950	8,858,767	7,532,741
Operating charges	0.57%	0.55%	0.57%	0.68%
Direct transaction costs	–	0.01%	0.01%	–

PRICES

Highest share price	157.00	155.77	140.53	138.22
Lowest share price	143.68	133.18	112.75	121.04

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Passive Fund 4	(3.74)	(1.79)	13.32	24.03
IA Mixed Investment 40-85% shares sector ¹	(4.12)	(0.11)	16.75	27.55

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 54.06% (31.10.21 – 52.55%)		
	CONTINENTAL EUROPE – 7.98% (31.10.21 – 7.57%)		
4,468,724	Legal & General European Index	14,595	7.15
1,860,521	M&G (LUX) Pan European Sustain Paris Aligned ¹	1,688	0.83
	TOTAL CONTINENTAL EUROPE	<u>16,283</u>	<u>7.98</u>
	UNITED KINGDOM – 20.61% (31.10.21 – 20.25%)		
18,077,502	iShares UK Equity Index	37,215	18.24
2,856,956	Legal & General UK Index	4,740	2.32
39,841	Petershill Partners	102	0.05
	TOTAL UNITED KINGDOM	<u>42,057</u>	<u>20.61</u>
	ASIA EX JAPAN – 9.76% (31.10.21 – 9.35%)		
8,360,985	iShares Pacific ex Japan Equity Index	19,913	9.76
	TOTAL ASIA EX JAPAN	<u>19,913</u>	<u>9.76</u>
	JAPAN – 3.99% (31.10.21 – 3.86%)		
3,494,855	iShares Japan Equity Index	8,146	3.99
	TOTAL JAPAN	<u>8,146</u>	<u>3.99</u>
	NORTH AMERICA – 6.24% (31.10.21 – 7.12%)		
2,340,397	iShares US Equity Index	10,410	5.10
2,182,094	M&G (ACS) BlackRock US Equity ¹	2,328	1.14
	TOTAL NORTH AMERICA	<u>12,738</u>	<u>6.24</u>
	EMERGING MARKETS – 5.48% (31.10.21 – 4.40%)		
4,241,739	iShares Emerging Markets Equity Index	7,492	3.67
224,316	iShares MSCI India	1,330	0.65
1,511,442	M&G (ACS) China ¹	1,174	0.58
1,583,799	M&G (ACS) China Equity ¹	1,183	0.58
	TOTAL EMERGING MARKETS	<u>11,179</u>	<u>5.48</u>
	TOTAL EQUITY PORTFOLIOS	<u>110,316</u>	<u>54.06</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY INVESTMENT INSTRUMENTS – 2.09% (31.10.21 – 2.27%)		
211,765	BBGI ²	360	0.18
10,091	BH Macro ²	427	0.21
360,461	BioPharma Credit ²	285	0.14
84,660	Blue Capital Alternative Income ^{2,3}	–	–
17,616	Boussard & Gavaudan ²	349	0.17
182,515	DP Aircraft I ²	2	–
284,548	Ecofin US Renewables Infrastructure Trust ²	240	0.12
35,549	HarbourVest Global Private Equity ²	908	0.44
89,233	HgCapital ²	379	0.19
65,944	NB Distressed Debt Investment ²	31	0.01
260,443	NextEnergy Solar ²	281	0.14
14,581	Princess Private Equity ²	152	0.07
183,759	Renewables Infrastructure ²	248	0.12
233,884	Round Hill Music Royalty ²	199	0.10
76,322	Round Hill Music Royalty 'C' ²	58	0.03
280,248	SDCL Energy Efficiency Income ²	341	0.17
	TOTAL EQUITY INVESTMENT INSTRUMENTS	4,260	2.09
	PROPERTY PORTFOLIOS – 0.20% (31.10.21 – 0.00%)		
62,260	iShares UK Property	403	0.20
	TOTAL PROPERTY PORTFOLIOS	403	0.20
	BOND PORTFOLIOS – 36.18% (31.10.21 – 35.90%)		
91,239	Eastspring Asian Bond	919	0.45
330,431	Eastspring Asian Local Bond	2,895	1.42
17,956,683	iShares Corporate Bond Index	26,249	12.86
748,408	iShares Euro Investment Grade Corporate Bond Index	7,460	3.66
1,975,098	iShares US Corporate Bond Index	16,309	7.99
499,995	iShares USD Treasury Bond	2,309	1.13
5,503,521	M&G Emerging Markets Bond Fund ¹	5,571	2.73
1,432,541	M&G European Corporate Bond ¹	1,475	0.72

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
3,498,916	M&G Global High Yield Bond ¹	4,776	2.34
1,155,839	M&G Sterling Investment Grade Corporate Bond ¹	1,064	0.52
3,942,741	M&G Strategic Corporate Bond ¹	4,807	2.36
	TOTAL BOND PORTFOLIOS	<u>73,834</u>	<u>36.18</u>
	FUTURES – 0.00% (31.10.21 – 0.08%) ⁴		
18	E Mini Russell 2000 Index Futures June 2022	(80)	(0.04)
25	EURO STOXX 50 Index Futures June 2022	(18)	(0.01)
45	FTSE 100 Index Futures June 2022	102	0.05
50	FTSE China A50 Index Futures May 2022	5	–
77	FTSE/JSE Top 40 Futures June 2022	(20)	(0.01)
9	S&P 500 E Mini Index Futures June 2022	(40)	(0.02)
7	TOPIX Index Futures June 2022	46	0.03
	TOTAL FUTURES	<u>(5)</u>	<u>–</u>
	Portfolio of investments ⁵	188,808	92.53
	Net other assets	<u>15,233</u>	<u>7.47</u>
	Net assets	<u>204,041</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	35,528	Total sales for the half year £'000	12,647
Major purchases	Cost £'000	Major sales	Proceeds £'000
EURO STOXX 50 Index Futures March 2022	4,350	EURO STOXX 50 Index Futures March 2022	4,154
iShares UK Equity Index	4,074	FTSE 100 Index Futures March 2022	3,911
FTSE 100 Index Futures June 2022	3,882	EURO STOXX 50 Index Futures June 2022	2,874
FTSE 100 Index Futures March 2022	3,873	S&P 500 E Mini Index Futures March 2022	2,757
iShares Corporate Bond Index	3,741	FTSE 100 Index Futures December 2021	2,481
EURO STOXX 50 Index Futures June 2022	3,672	FTSE/JSE Top 40 Futures March 2022	2,477
Eastspring Asian Local Bond	2,959	FTSE/JSE Top 40 Futures December 2021	2,406
S&P 500 E Mini Index Futures March 2022	2,931	iShares Euro Investment Grade Corporate Bond Index	2,363
iShares Euro Investment Grade Corporate Bond Index	2,489	EURO STOXX 50 Index Futures December 2021	2,287
FTSE/JSE Top 40 Futures June 2022	2,489	iShares US Equity Index	2,058

In addition to the above, purchases totalling £1,879,920,000 and sales totalling £1,894,782,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4 INTERIM FINANCIAL STATEMENTS (UNAUDITED) STATEMENT OF TOTAL RETURN

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(9,266)		11,880
Revenue	1,625		831	
Expenses	(261)		(153)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	1,363		677	
Taxation	(75)		(36)	
Net revenue after taxation		1,288		641
Total return before distributions		(7,978)		12,521
Distributions ¹		23		108
Change in net assets attributable to shareholders from investment activities		(7,955)		12,629

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		191,057		88,508
Amounts receivable on issue of shares	27,579		43,452	
Amounts payable on redemption of shares	(6,640)		(3,870)	
		20,939		39,582
Change in net assets attributable to shareholders from investment activities		(7,955)		12,629
Closing net assets attributable to shareholders		204,041		140,719

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	188,966	173,501
Current assets		
Debtors	356	1,867
Cash and cash equivalents	15,823	30,366
Total assets	<u>205,145</u>	<u>205,734</u>
LIABILITIES		
Investment liabilities	(158)	(25)
Creditors		
Bank overdrafts	(11)	(14,187)
Distribution payable	–	(265)
Other creditors	(935)	(200)
Total liabilities	<u>(1,104)</u>	<u>(14,677)</u>
Net assets attributable to shareholders	<u>204,041</u>	<u>191,057</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 4
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5 ACD'S REPORT

for the half year ended 30 April 2022

Important Information

Refer to the 'Important Information' section on page 11.

Investment Objective and Policy

The LF Prudential Risk Managed Passive Fund 5 ('the Fund') aims to achieve long-term (in excess of 5 years) total return (the combination of income and growth of capital) by investing in a mix of assets from around the world and aims to limit the average volatility per annum over rolling 5 year periods to 17%.

There is no guarantee the objective will be achieved over any time period and the actual volatility, at any time, may be higher or lower than 17%. Capital invested is at risk.

The Fund aims to achieve its objective through investing at least 70% in passive collective investment schemes (e.g. funds which track an index). The Fund has a flexible investment approach with the freedom to invest in different types of assets to meet its objective. The Portfolio Manager will use in-depth research to forecast the expected change in value and risk of the different types of assets over a forward-looking 15-year period. This analysis is then used to work out the mix of assets (the 'target strategic asset allocation') to invest in to achieve the Fund's objective. The Portfolio Manager will review the target strategic asset allocation on an ongoing basis.

Based on the target strategic asset allocation, the Portfolio Manager constructs an actively managed portfolio to provide diversified, indirect exposure to global fixed income and variable rate assets, cash (including money market funds and near cash), equities and/or immovable property.

The Fund will have a high exposure towards higher risk assets, such as equities. The Portfolio Manager will adjust the asset allocation on an ongoing basis to reflect changes in the target strategic asset allocation and to take advantage of tactical investment opportunities.

The Portfolio Manager will select collective investment schemes to invest in from a focused range of funds and fund management groups (which may include other funds managed by the ACD, Portfolio Manager and their associates).

The Fund may also invest directly in equities, equity related instruments (e.g. warrants), fixed income and cash or near cash. It may also invest in alternative investments (e.g. infrastructure, private equity, alternative credit and hedge funds). Derivative instruments may also be used for the purposes of efficient portfolio management.

Other Information: The Fund's objective to stay within its specified risk profile may restrict the types and proportions of the assets it holds and limit the potential gains and losses.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

Benchmark

The Fund's comparator benchmark is the IA Flexible Investment shares sector.

The Fund's performance may be compared against the IA Flexible Investment shares sector. The ACD believes that this is an appropriate comparator for the Fund given the investment objective and policy of the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

LINK FUND SOLUTIONS LIMITED

ACD of LF Prudential Risk Managed Passive Fund 5

30 June 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT

for the half year ended 30 April 2022

Market Overview

It was a challenging period as global inflationary fears and Russia's invasion of Ukraine were the two themes that dominated global financial markets during the period in review. Rising inflation expectations weighed heavily on both bonds and shares in most major markets, as investors fretted over the impact of higher prices on consumers and businesses.

The conflict between Russia and Ukraine acted as another catalyst for commodity price rises. The added geopolitical uncertainty weighed heavily on many emerging markets, particularly those closest to the conflict zone. However, some markets further afield, such as in Latin America, and notable oil-producing nations performed well. Assets that are traditionally seen as safer bets, such as the US dollar and gold also benefited. The yields on government bonds in the UK, US and Europe rose sharply throughout the quarter (prompting notable losses for many bond investors).

Activity

Several adjustments were made to the Fund at the end of 2021, following the annual review of the strategic asset allocation. Below is a summary of the main changes.

- Small increase in UK equity due to attractive valuations
- Indian equity added to capture future growth from outsourcing of services and favourable demographics
- Developed market fixed income reduced as yields had become more unattractive and many central banks started thinking about tightening monetary policy
- Emerging markets bonds increased, and Asian bonds added to provide more exposure to higher 'real' yields and countries with different monetary and fiscal regimes
- Alternatives reduced as we concluded that the risk/return characteristics of portfolios can be maintained with reduced OCFs
- Cash reduced

Positioning

At the end of the period in review the portfolios managers were running a small overweight position in UK and US equities (the diversification giving different sector exposures). There was also a moderate overweight in alternatives and property, which they believe can act as good diversifiers, are less directional in nature, and benefit from potential inflation protection characteristics.

The overweight positions are entirely funded by a fixed income underweight (rather than partly through cash).

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

PORTFOLIO MANAGER'S REPORT *continued*

Outlook

Central banks are becoming increasingly hawkish, demonstrating more urgency in withdrawing asset purchase programmes in addition to front loading interest rate increases. Market pricing of inflation suggests an expectation that inflation will fall back once again, but the key question that remains is whether the swift withdrawal of stimulus will dent economic growth, potentially causing a recession.

However, this is complicated by the economic side effects of the continuing Russia-Ukraine conflict, with its material impact on inflation and supply chains that had already been hit by the COVID-19 crisis. Macro data from China has shown some growth weakness. As a result, we believe uncertainty and volatility will remain high.

M&G INVESTMENT MANAGEMENT LIMITED

Portfolio Manager

19 May 2022

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION

Risk and Reward Profile



This indicator shows how much a fund has risen and fallen in the past, and therefore how much a fund's returns have varied. It is a measure of a fund's volatility. The higher a fund's past volatility the higher the number on the scale and the greater the risk that investors in that fund may have made losses as well as gains.

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

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

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

The Fund targets a risk level of 5 which is a level of risk relative to the 4 other funds in the range. The risk and reward profile scale above is calculated differently. The two measures are not comparable. The lowest number on the scale does not mean that a fund is risk free.

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

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

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

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

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

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

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables

Information for 30 April 2022 relates to the 6 month period ending 30 April 2022, with the exception of the operating charges in the 'Other Information' section. The operating charges relate to the expenses incurred on an ex post basis over the 6 month period ending 30 April 2022, expressed as an annualised percentage of the average net asset value.

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

'A' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	145.54	123.43	128.34	121.63
Return before operating charges*	(3.65)	24.96	(2.29)	10.00
Operating charges	(0.41)	(0.78)	(0.72)	(0.91)
Return after operating charges	(4.06)	24.18	(3.01)	9.09
Distributions	–	(2.07)	(1.90)	(2.38)
Closing net asset value per share	141.48	145.54	123.43	128.34
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(2.79)%	19.59%	(2.35)%	7.48%
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OTHER INFORMATION

Closing net asset value (£'000)	34	14	215	6
Closing number of shares	23,936	9,294	174,348	4,809
Operating charges	0.57%	0.55%	0.58%	0.72%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	149.61	150.23	135.60	135.23
Lowest share price	136.46	124.11	105.06	117.14

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'A' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	160.26	134.00	137.21	127.64
Return before operating charges*	(4.02)	27.11	(2.44)	10.57
Operating charges	(0.45)	(0.85)	(0.77)	(1.00)
Return after operating charges	(4.47)	26.26	(3.21)	9.57
Distributions	–	(2.25)	(2.02)	(2.48)
Retained distributions on accumulation shares	–	2.25	2.02	2.48
Closing net asset value per share	155.79	160.26	134.00	137.21
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(2.79)%	19.60%	(2.34)%	7.50%
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OTHER INFORMATION

Closing net asset value (£'000)	194	168	161	6
Closing number of shares	124,352	105,042	120,306	4,494
Operating charges	0.57%	0.55%	0.58%	0.75%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	164.84	163.06	145.07	142.03
Lowest share price	150.34	134.81	112.34	123.08

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'C' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	119.88	101.67	105.73	100.18
Return before operating charges*	(3.06)	20.45	(1.99)	8.17
Operating charges	(0.05)	(0.08)	(0.10)	(0.11)
Return after operating charges	(3.11)	20.37	(2.09)	8.06
Distributions	–	(2.16)	(1.97)	(2.51)
Closing net asset value per share	116.77	119.88	101.67	105.73
* after direct transaction costs of:	–	0.01	–	–

PERFORMANCE

Return after charges	(2.59)%	20.04%	(1.98)%	8.05%
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OTHER INFORMATION

Closing net asset value (£'000)	9,356	9,634	3,205	1,891
Closing number of shares	8,011,957	8,036,555	3,152,183	1,787,944
Operating charges	0.09%	0.07%	0.10%	0.11%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	123.19	123.80	111.54	111.60
Lowest share price	112.47	101.99	86.70	96.43

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' INCOME SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	146.00	123.80	128.69	121.93
Return before operating charges*	(3.69)	25.00	(2.31)	10.01
Operating charges	(0.23)	(0.43)	(0.42)	(0.52)
Return after operating charges	(3.92)	24.57	(2.73)	9.49
Distributions	–	(2.37)	(2.16)	(2.73)
Closing net asset value per share	142.08	146.00	123.80	128.69
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(2.68)%	19.85%	(2.12)%	7.78%
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OTHER INFORMATION

Closing net asset value (£'000)	2,277	2,330	1,466	5,533
Closing number of shares	1,602,706	1,595,800	1,184,345	4,299,529
Operating charges	0.32%	0.30%	0.33%	0.41%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	150.18	150.90	136.06	135.92
Lowest share price	137.05	124.53	105.42	117.59

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'P' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	164.69	137.43	140.47	130.30
Return before operating charges*	(4.17)	27.73	(2.59)	10.71
Operating charges	(0.26)	(0.47)	(0.45)	(0.54)
Return after operating charges	(4.43)	27.26	(3.04)	10.17
Distributions	–	(2.63)	(2.37)	(2.92)
Retained distributions on accumulation shares	–	2.63	2.37	2.92
Closing net asset value per share	160.26	164.69	137.43	140.47
* after direct transaction costs of:	0.01	0.01	0.01	–

PERFORMANCE

Return after charges	(2.69)%	19.84%	(2.16)%	7.81%
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OTHER INFORMATION

Closing net asset value (£'000)	100,187	94,443	52,886	32,770
Closing number of shares	62,514,892	57,347,326	38,481,321	23,329,609
Operating charges	0.32%	0.30%	0.33%	0.40%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	169.35	167.41	148.45	145.21
Lowest share price	154.53	138.17	115.10	125.72

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Comparative Tables *continued*

'R' ACCUMULATION SHARES

CHANGE IN NET ASSETS PER SHARE	30.04.22 pence per share	31.10.21 pence per share	31.10.20 pence per share	31.10.19 pence per share
Opening net asset value per share	162.49	135.89	139.15	129.33
Return before operating charges*	(4.06)	27.46	(2.47)	10.71
Operating charges	(0.46)	(0.86)	(0.79)	(0.89)
Return after operating charges	(4.52)	26.60	(3.26)	9.82
Distributions	–	(2.28)	(2.07)	(2.63)
Retained distributions on accumulation shares	–	2.28	2.07	2.63
Closing net asset value per share	157.97	162.49	135.89	139.15
* after direct transaction costs of:	–	0.01	0.01	–

PERFORMANCE

Return after charges	(2.78)%	19.57%	(2.34)%	7.59%
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OTHER INFORMATION

Closing net asset value (£'000)	10,614	10,896	6,590	6,251
Closing number of shares	6,719,463	6,705,488	4,849,805	4,491,835
Operating charges	0.57%	0.55%	0.58%	0.66%
Direct transaction costs	–	0.01%	–	–

PRICES

Highest share price	167.07	165.25	147.01	143.94
Lowest share price	152.38	136.61	113.93	124.76

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

FUND INFORMATION *continued*

Fund Performance to 30 April 2022 (%)

	6 months	1 year	3 years	5 years
LF Prudential Risk Managed Passive Fund 5	(2.78)	(0.35)	17.08	29.21
IA Flexible Investment shares sector ¹	(4.36)	(0.54)	18.84	29.67

¹ Source: Morningstar Direct.

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

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

RISK WARNING

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

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

PORTFOLIO STATEMENT

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY PORTFOLIOS – 65.41% (31.10.21 – 63.53%)		
	CONTINENTAL EUROPE – 9.64% (31.10.21 – 9.06%)		
3,249,092	Legal & General European Index Trust	10,612	8.65
1,334,592	M&G (LUX) Pan European Sustain Paris Aligned ¹	1,211	0.99
	TOTAL CONTINENTAL EUROPE	<u>11,823</u>	<u>9.64</u>
	UNITED KINGDOM – 24.81% (31.10.21 – 24.53%)		
11,798,237	iShares UK Equity Index	24,289	19.80
3,667,075	Legal & General UK Index Trust	6,084	4.96
25,225	Petershill Partners	64	0.05
	TOTAL UNITED KINGDOM	<u>30,437</u>	<u>24.81</u>
	ASIA EX JAPAN – 11.95% (31.10.21 – 11.26%)		
6,154,989	iShares Pacific ex Japan Equity Index	14,659	11.95
	TOTAL ASIA EX JAPAN	<u>14,659</u>	<u>11.95</u>
	JAPAN – 4.97% (31.10.21 – 4.80%)		
2,616,100	iShares Japan Equity Index	6,098	4.97
	TOTAL JAPAN	<u>6,098</u>	<u>4.97</u>
	NORTH AMERICA – 7.53% (31.10.21 – 8.48%)		
1,734,574	iShares US Equity Index	7,715	6.29
1,422,651	M&G (ACS) Blackrock US Equity ¹	1,518	1.24
	TOTAL NORTH AMERICA	<u>9,233</u>	<u>7.53</u>
	EMERGING MARKETS – 6.51% (31.10.21 – 5.40%)		
3,086,883	iShares Emerging Markets Equity Index	5,452	4.44
140,748	iShares MSCI India	833	0.68
1,094,780	M&G (ACS) China ¹	851	0.69
1,146,744	M&G (ACS) China Equity ¹	856	0.70
	TOTAL EMERGING MARKETS	<u>7,992</u>	<u>6.51</u>
	TOTAL EQUITY PORTFOLIOS	<u>80,242</u>	<u>65.41</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5**ACD'S REPORT** *continued***PORTFOLIO STATEMENT** *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
	EQUITY INVESTMENT INSTRUMENTS – 2.20% (31.10.21 – 2.48%)		
134,332	BBGI ²	228	0.19
6,402	BH Macro ²	271	0.22
227,588	BioPharma Credit ²	179	0.15
80,465	Blue Capital Alternative Income ^{2,3}	–	–
10,987	Boussard & Gavaudan ²	218	0.18
140,205	DP Aircraft I ²	2	–
180,076	Ecofin US Renewables Infrastructure Trust ²	152	0.12
22,332	HarbourVest Global Private Equity ²	570	0.46
56,189	HgCapital ²	239	0.19
57,081	NB Distressed Debt Investment ²	27	0.02
164,765	NextEnergy Solar ²	177	0.14
9,175	Princess Private Equity ²	96	0.08
116,539	Renewables Infrastructure ²	157	0.13
151,287	Round Hill Music Royalty ²	129	0.11
41,476	Round Hill Music Royalty 'C' ²	32	0.03
176,753	SDCL Energy Efficiency Income ²	215	0.18
	TOTAL EQUITY INVESTMENT INSTRUMENTS	<u>2,692</u>	<u>2.20</u>
	PROPERTY PORTFOLIOS – 0.20% (31.10.21 – 0.00%)		
37,357	iShares UK Property	242	0.20
	TOTAL PROPERTY PORTFOLIOS	<u>242</u>	<u>0.20</u>
	BOND PORTFOLIOS – 24.16% (31.10.21 – 24.78%)		
38,378	Eastspring Asian Bond	387	0.32
136,936	Eastspring Asian Local Bond	1,198	0.98
7,116,321	iShares Corporate Bond Index	10,403	8.48
274,478	iShares Euro Investment Grade Corporate Bond Index	2,737	2.23
764,833	iShares US Corporate Bond Index	6,318	5.15
194,460	iShares USD Treasury Bond	898	0.73
2,790,747	M&G Emerging Markets Bond ¹	2,825	2.30
233,974	M&G European Corporate Bond ¹	241	0.20

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

PORTFOLIO STATEMENT *continued*

as at 30 April 2022

Holding	Portfolio of Investments	Value £'000	30.04.22 %
1,749,008	M&G Global High Yield Bond ¹	2,387	1.95
254,719	M&G Sterling Investment Grade Corporate Bond ¹	234	0.19
1,642,599	M&G Strategic Corporate Bond ¹	2,003	1.63
	TOTAL BOND PORTFOLIOS	<u>29,631</u>	<u>24.16</u>
	FUTURES – (0.03)% (31.10.21 – 0.12%) ⁴		
13	E Mini Russell 2000 Index Futures June 2022	(58)	(0.05)
20	EURO STOXX 50 Index Futures June 2022	(15)	(0.01)
33	FTSE 100 Index Futures June 2022	54	0.04
32	FTSE China A50 Index Futures May 2022	1	–
54	FTSE/JSE Top 40 Futures June 2022	(14)	(0.01)
6	S&P 500 E Mini Index Futures June 2022	(36)	(0.03)
4	TOPIX Index Futures June 2022	34	0.03
	TOTAL FUTURES	<u>(34)</u>	<u>(0.03)</u>
	Portfolio of investments ⁵	112,773	91.94
	Net other assets	<u>9,889</u>	<u>8.06</u>
	Net assets	<u>122,662</u>	<u>100.00</u>

The investments are collective investment schemes unless stated otherwise.

¹ Related party holding.

² Closed end fund.

³ Delisted security.

⁴ Counterparty: JPMorgan.

⁵ Includes investment liabilities.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5

ACD'S REPORT *continued*

SUMMARY OF MATERIAL PORTFOLIO CHANGES

for the half year ended 30 April 2022

Total purchases for the half year £'000	18,030	Total sales for the half year £'000	8,803
Major purchases	Cost £'000	Major sales	Proceeds £'000
EURO STOXX 50 Index Futures March 2022	2,914	EURO STOXX 50 Index Futures March 2022	2,760
EURO STOXX 50 Index Futures June 2022	2,721	iShares Euro Investment Grade Corporate Bond Index	2,358
FTSE 100 Index Futures June 2022	2,537	FTSE 100 Index Futures March 2022	2,317
FTSE 100 Index Futures March 2022	2,287	EURO STOXX 50 Index Futures June 2022	2,084
iShares UK Equity Index	1,920	FTSE/JSE Top 40 Futures March 2022	1,838
S&P 500 E Mini Index Futures March 2022	1,900	S&P 500 E Mini Index Futures March 2022	1,784
iShares Euro Investment Grade Corporate Bond Index	1,899	FTSE/JSE Top 40 Futures December 2021	1,781
FTSE/JSE Top 40 Futures March 2022	1,786	EURO STOXX 50 Index Futures December 2021	1,644
FTSE/JSE Top 40 Futures June 2022	1,745	FTSE 100 Index Futures December 2021	1,605
iShares Pacific ex Japan Equity Index	1,576	iShares US Equity Index	1,438

In addition to the above, purchases totalling £1,125,217,000 and sales totalling £1,139,787,000 were made in short term investments during the half year.

Purchases and sales of Futures have been included at the value of their exposure and are not included in the total purchases and sales figures above.

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

**LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5
INTERIM FINANCIAL STATEMENTS (UNAUDITED)
STATEMENT OF TOTAL RETURN**

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Income:				
Net capital (losses)/gains		(4,303)		10,528
Revenue	1,033		602	
Expenses	(156)		(103)	
Interest payable and similar charges	(1)		(1)	
Net revenue before taxation	876		498	
Taxation	(29)		(14)	
Net revenue after taxation		847		484
Total return before distributions		(3,456)		11,012
Distributions ¹		29		53
Change in net assets attributable to shareholders from investment activities		(3,427)		11,065

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

for the half year ended 30 April 2022

	£'000	30.04.22 £'000	£'000	30.04.21 £'000
Opening net assets attributable to shareholders		117,485		64,523
Amounts receivable on issue of shares	14,451		18,944	
Amounts payable on redemption of shares	(5,847)		(2,464)	
		8,604		16,480
Change in net assets attributable to shareholders from investment activities		(3,427)		11,065
Closing net assets attributable to shareholders		122,662		92,068

The above statements show the comparative closing net assets at 30 April 2021 whereas the current accounting period commenced 1 November 2021.

¹ The Fund distributes annually, therefore 'Distributions' consists of equalisation only.

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*

BALANCE SHEET

as at 30 April 2022

	30.04.22 £'000	31.10.21 £'000
ASSETS		
Fixed assets		
Investments	112,896	106,824
Current assets		
Debtors	668	2,075
Cash and cash equivalents	9,724	8,878
Total assets	<u>123,288</u>	<u>117,777</u>
LIABILITIES		
Investment liabilities	(123)	(14)
Creditors		
Bank overdrafts	(6)	–
Distribution payable	–	(211)
Other creditors	(497)	(67)
Total liabilities	<u>(626)</u>	<u>(292)</u>
Net assets attributable to shareholders	<u>122,662</u>	<u>117,485</u>

LF PRUDENTIAL RISK MANAGED PASSIVE FUND 5
INTERIM FINANCIAL STATEMENTS (UNAUDITED) *continued*
NOTES TO THE INTERIM FINANCIAL STATEMENTS
for the half year ended 30 April 2022

1. Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 October 2021 and are described in those annual financial statements.

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

These financial statements are prepared on a going concern basis. The ACD has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made as at the date of issue of these financial statements, covering the subsequent 12 months, and considers liquidity, declines in global capital markets, known redemption levels, expense projections, key service provider's operational resilience, and the impact of COVID-19. The ACD also considered the Fund's continued ability to meet ongoing costs, and is satisfied it has the resources to meet these costs and to continue in business.

GENERAL INFORMATION

Share Capital

The minimum share capital of the Company is £100 and the maximum is £250,000,000,000.

Structure of the Company

The Company is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the Financial Conduct Authority. On the introduction of any new sub-fund or class, a revised Prospectus will be prepared setting out the relevant details of each sub-fund or class.

The assets of each sub-fund will be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. The sub-funds which are currently available are:

- LF Prudential Risk Managed Active 1
- LF Prudential Risk Managed Active 2
- LF Prudential Risk Managed Active 3
- LF Prudential Risk Managed Active 4
- LF Prudential Risk Managed Active 5
- LF Prudential Risk Managed Passive Fund 1
- LF Prudential Risk Managed Passive Fund 2
- LF Prudential Risk Managed Passive Fund 3
- LF Prudential Risk Managed Passive Fund 4
- LF Prudential Risk Managed Passive Fund 5

In the future there may be other sub-funds of the Company.

Classes of Shares

The Instrument of Incorporation allows income and accumulation shares to be issued.

Holders of income shares are entitled to be paid the distributable income attributed to such shares on any relevant interim and annual allocation dates.

Holders of accumulation shares are not entitled to be paid the income attributed to such shares, but that income is automatically transferred to (and retained as part of) the capital assets of the sub-fund on the relevant interim and/ or annual accounting dates. This is reflected in the price of an accumulation share.

Valuation Point

The current valuation point of each of the Company's sub-funds is 12.00 noon (London time) on each business day. Valuations may be made at other times under the terms contained within the Prospectus.

GENERAL INFORMATION *continued*

Buying and Selling Shares

The ACD will accept orders to deal in the shares on normal business days between 8.30am and 5.30pm (London time) and transactions will be effected at prices determined by the following valuation. Instructions to buy or sell shares may be either in writing to: PO Box 384, Darlington DL1 9RZ or by telephone on 0344 335 8936.

Prices

The prices of all shares are published on every dealing day on the website of the ACD: www.linkfundsolutions.co.uk. The prices of shares may also be obtained by calling 0344 335 8936 during the ACD's normal business hours.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Documents and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office. Copies of these may be obtained upon application and, excepting the Instrument of Incorporation, can be found on the ACD's website, www.linkfundsolutions.co.uk.

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, London E14 9SR.

Data Protection Act

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.



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