Electric & General Investment Fund

Interim Report including long form financial statements
for the six months ended 31 December 2021

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Authorised status

The Electric & General Investment Fund (the 'Company'/the 'Fund') is an investment company with variable capital (ICVC) under regulation 12 (Authorisation) of the Open-Ended Investment Companies Regulations 2001 and is managed in accordance with the Financial Conduct Authority's (FCA) Collective Investment Schemes Sourcebook (COLL).

The Electric & General Investment Fund is a UCITS Scheme which complies with the requirement of the FCA 'COLL Rules', including the investment and borrowing powers in Chapter 5.

Shareholders are not liable for the debts of the Company.

Fund information

Investment objective and policy

The Company's investment objective is to seek to achieve long term (at least five years) capital growth with some potential for income.

To achieve the investment objective, the Company's investment policy is to invest principally (at least 80%) in a portfolio of global equities, and may also invest in other transferable securities, bonds (both corporate and government debt securities), collective investment schemes ('CIS'), warrants, money market instruments, cash, near cash and deposits. The Company may borrow and may enter into underwriting arrangements. It is the ACD's intention that derivatives and forward currency transactions will only be used for the purposes of efficient portfolio management, including hedging, as defined by the Regulations.

The Company is actively managed and has, with the exception of the above noted minimum, no limit to which it can be invested in each sector or asset type, nor is there any particular geographic focus. The Portfolio Manager has full flexibility to adjust the proportion of the property of the Company depending on their view of market conditions and the assets which it believes are most likely to achieve the Company's investment objective. From time to time the liquidity of the Company may be increased substantially if judged to be in the interests of investors.

The Company may invest in CIS which have different investment strategies or restrictions than the Company, including the ability to invest in derivatives for investment purposes and to gain exposure to assets which are not expressly listed above. Investment in CIS will usually be limited to those which invest primarily in the assets listed above and without exception, CIS will only be held in so far as the rules permit the Company to gain exposure to the assets held by those CIS.

A Glossary of Definitions which provides definitions to some of the technical language used in this document is available from www.carvetian.com/policies.

The Company benefits from a board of Independent Directors whose duties include the oversight of key elements of the Company's operation.

Comparator benchmark

To gauge the relative performance of the Fund, Shareholders may compare the Fund's performance against the Investment Association's Global Sector. This is not a performance target nor constrains the way in which the Fund is managed. For further information on the Sector and its intended use, please refer to the Fund's Prospectus.

Fund information
continued

Target market
Electric & General Investment Fund may be suitable for all eligible investors (be they retail clients, professional clients or eligible counterparties, each as defined in glossary to the UK Financial Conduct Authorities Handbook of Rules and Guidance) who are seeking long-term capital growth with some potential for income by investing principally in a portfolio of global equities, provided they can meet any minimum age and minimum investment amounts. Financial experience is not considered a necessity. However, investors must at least understand a product where capital is at risk and have the capacity to bear losses (possibly total) on their original investment, accepting risk to their capital.

The Fund may be suitable as a component of a portfolio and for investors who are looking to set aside their capital for the long term (at least five years), though shares may be redeemed on a daily basis.

The risk and reward profile for the Fund is set out in the Key Investor Information Document(s) for the Fund.

Any investor should be willing to accept price fluctuations.

Electric & General Investment Fund is unlikely to be compatible with the requirements of an investor:

- investors looking for guaranteed income or return;
- seeking full capital protection;
- who does not have sufficient resources to bear any loss resulting from the investment;
- who is not able to evaluate the risks and merits of the Fund; and/or
- with a short-term (less than five years) investment horizon

Investment manager
The investment manager to the Fund is Troy Asset Management Limited.

Investment manager fee
The investment manager, Troy Asset Management Limited, receives for its own account a periodic fee of 0.60% per annum.

If the Fund invests in a collective investment scheme operated by the above management group, then the Fund will receive rebates of any management fees on these investments or pay a reduced investment management fee to reflect this.

Distribution
Shareholders may own accumulation and/or income shares, which entitle them to a share in any allocation/distribution of income made by the Company. Normal distribution dates are the last day of February and 31 August for income accrued as at 31 December and 30 June respectively.

Future distributions may fluctuate depending on the mix of assets over any specific reporting period.

Authorised Corporate Director's fee
The annual fee due to the Authorised Corporate Director is 0.04% per annum.

CARVETIAN

Investment manager's report
for the six months ending 31 December 2021

Global equities performed strongly in the six months, driven by robust earnings growth and supported by very low interest rates. The Fund performed well in absolute terms, but lagged behind global indices.

Global equity returns were once again led by US technology companies, although there was significant divergence among them. Some of the largest and most profitable tech businesses outperformed smaller, less-profitable peers, as more speculative ends of investment markets were especially volatile. Asian and Emerging Markets continued to underperform Europe and North America. Negative investor sentiment towards Chinese technology companies persisted after many became subject to increased state interference.

Bond yields retreated, helping the performance of traditionally defensive sectors, including Utilities and Consumer Staples. This was despite ongoing inflationary pressures and growing expectations for monetary tightening. The emergence of Delta and Omicron, more transmissible strains of COVID-19, added to investors' risk aversion towards the end of the period.

The portfolio's performance was driven by company-specific news rather than broader stock-market trends. The top five contributors were drawn from various industrial sectors. They were Microsoft, Intuit, Alphabet, Experian and Alcon. Each company reported strong financial results during the period as industry tailwinds coincide with demand for new products.

The bottom five contributors also came from a mix of industries. They were PayPal, Medtronic, Heineken, Unilever and Visa. PayPal reported quarterly results which fell short of expectations. Near-term guidance also underwhelmed and management deflected rumours that PayPal would acquire Pinterest. Medtronic, Visa and Heineken were held back by the effect of successive waves from new COVID-19 variants on their businesses. Medtronic also announced delays to important Research and Development (R&D) programmes, whilst Visa faced questions about its competitiveness as a new breed of fintechs rose to greater prominence. Unilever and Heineken experienced sharply rising input costs.

Dividend
The Fund will provisionally pay holders of its income share class an interim dividend of 0.1027 pence per share on 28 February 2022. This is substantially down on the comparable distribution last year. Consistent with previous communications on this subject, we have prioritised total return over its income component. This has meant that the Fund's distributions have suffered in order to retain the flexibility to invest in companies that pay low or no dividends. This approach has significantly enhanced the Fund's overall returns this year and in previous years.

Portfolio activity
There were no new holdings initiated in the period and no outright sales. The Fund has 27 investments.

The Fund took advantage of weaker share prices for the card networks, Mastercard and Visa, as well as Meta Platforms (formerly Facebook), adding further to its existing holdings. Temporary headwinds for Take-Two Interactive Software provided opportunity to increase this newer holding.

These changes were funded by reductions to Intuit, Nestlé, Experian and Agilent Technologies, largely on valuation grounds. Microsoft was reduced to manage its overall weight in the portfolio after continued outperformance. eBay's shares also performed well, providing scope to further reduce this non-core holding.

Outlook
We enter 2022 with a sense of déjà vu. Equity markets make us nervous because they have risen to historically high levels during a period of spectacular fiscal and monetary largesse. We recognise, however, that we have written words to this effect for much of the past decade and yet global stock markets have generally gone up. We have little confidence in making predictions about what might happen in the short term beyond prosaically stating that markets are likely to remain volatile.

Investment manager's report
for the six months ending 31 December 2021
continued

The strategy is firmly rooted in two more basic, longer-term predictions. The first is that we expect the economy to continue to digitise and for this to be a driving force behind global growth. This trend is less mature than is often assumed and it will manifest in the rising consumption of business software, digital payments, digital advertising and medical technology. The second is that we believe companies are increasingly challenged to demonstrate the value they create for others, not only for their owners, but for all stakeholders, including customers, employees and governments. The most successful companies will be those that are responsive to the demands made of them.

For everything else that we cannot foresee, the portfolio's investments combine resilience with adaptability. They are resilient from the intrusion of their rivals because of distinct and enduring competitive advantages. They are economically resilient because of their predictable and recurring business models. And they are financially resilient because of their cash generation and reasonable valuations. Similarly, and at the same time, the portfolio's companies are adaptable in multiple ways. They operate in large and dynamic addressable markets, giving many avenues for growth. They have a culture of long-term management that emphasises reinvestment into innovation aimed at meeting the changing needs of customers. And, as they grow, they deepen and enrich internal and external relationships by generating sustainable surpluses for others.

Troy Asset Management Limited
20 January 2022

Net asset value per share, price record and comparative tables

Change in net asset value per share

All prices quoted are based on bid price

	Income shares			Accumulation shares		
	Six months ended 31 December 2021	Year ended 30 June 2021	Year ended 30 June 2020	Six months ended 31 December 2021	Year ended 30 June 2021	Period ended* 30 June 2020
	p	p	p	p	p	p
Opening net asset value per share	**292.94**	**246.98**	**226.21**	**298.40**	**249.78**	**226.21**
Return before operating charges†	21.87	50.34	25.721	22.20	50.90	25.83
Operating charges	(1.33)	(2.28)	(2.25)	(1.32)	(2.28)	(2.26)
Return after operating charges†	**20.54**	**48.06**	**23.47**	**20.88**	**48.62**	**23.57**
Distributions on income shares						
Interim	(0.10)	(0.70)	(1.08)	n/a	n/a	n/a
Final	-	(1.40)	(1.62)	n/a	n/a	n/a
Total distributions on income shares	**(0.10)**	**(2.10)**	**(2.70)**	**0.00**	**0.00**	**n/a**
Closing net asset value per share	**313.38**	**292.94**	**246.98**	**319.28**	**298.40**	**249.78**
Retained distributions on accumulation shares						
Interim	n/a	n/a	n/a	0.10	0.71	1.08
Final	n/a	n/a	n/a	-	1.42	1.62
†after direct transaction costs of	0.01	0.04	0.03	0.01	0.04	0.03
Performance						
Return after operating charges	7.0%	19.5%	10.4%	7.0%	19.5%	10.4%
Other information						
Closing net asset value (NAV)	£120,945,612	£113,666,133	£108,664,763	£1,385,403	£1,294,788	£975,735
Closing number of shares	38,593,376	38,802,203	43,997,947	433,912	433,912	390,638
Operating charges	0.86%	0.88%	0.97%	0.86%	0.88%	0.97%
Direct transaction costs	0.00%	0.02%	0.01%	0.00%	0.02%	0.01%
Prices (p)						
Highest	319.00	295.40	251.90	324.90	299.40	253.20
Lowest	294.20	239.60	196.40	299.70	242.30	197.30

**Accumulation shares from launch date 16 October 2019.*

KIID risk and reward profile

The numerical risk and reward indicator as published in the latest Key Investor Information Document (KIID) is a rating of 5 for both the income and accumulation share class (2020: category 5). The share classes are ranked in risk category 5 as funds of this type have experienced above average rises and falls historically.

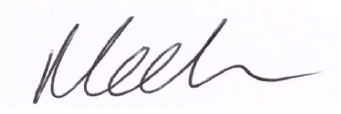
For more information on the Fund risk and reward profile please refer to the most up to date KIID which is available from the Authorised Corporate Director or at www.yealand.com.

Value assessment report

We are required to undertake a formal review of the Fund in order to assess the value which Shareholders are receiving from their investments. This assessment considers elements such as the fees which are paid, the quality of services provided and the investment performance obtained. We are required to publish a report which summarises the outcome of the review and, if relevant, to take steps to address any instances of poor value. We publish a single value assessment report covering all our funds by 31 January each year. Copies of these reports can be obtained from https://carvetian.com/policies/.

Approval of the interim report by the Authorised Corporate Director

In accordance with the requirements of a UCITS which complies with the requirements of the FCA COLL as per COLL 4.5.8B R, I hereby approve the report on behalf of Carvetian Capital Management Limited for the six months ended 31 December 2021.



Rob Leedham
On behalf of Carvetian Capital Management Limited,
the Authorised Corporate Director

28 February 2022

Portfolio statement
as at 31 December 2021

Investment	Holding	Market value £	% of total net assets
EQUITIES - 98.67% (99.18%)			
Europe (ex UK) - 17.97% (18.09%)			
France - 1.72% (1.67%)			
L'Oréal	6,000	2,103,418	1.72
Netherlands - 2.69% (3.06%)			
Heineken Holding	48,289	3,292,755	2.69
Switzerland - 13.56% (13.36%)			
Alcon	63,506	4,148,939	3.40
Nestlé	24,475	2,529,166	2.07
Novartis	65,369	4,244,148	3.47
Roche Holding	18,405	5,657,681	4.62
		16,579,934	13.56
Total Europe (ex UK)		21,976,107	17.97
North America - 70.32% (70.47%)			
Agilent Technologies	33,571	3,960,693	3.24
Alphabet 'A'	5,200	11,132,542	9.10
American Express Company	43,272	5,230,246	4.27
Becton Dickinson & Company	19,149	3,558,669	2.91
Booking Holdings	1,309	2,320,863	1.90
eBay	17,496	859,802	0.70
Fiserv	53,974	4,138,193	3.38
Intuit	17,838	8,477,268	6.93
Mastercard 'A'	22,098	5,867,760	4.80
Medtronic	56,349	4,307,792	3.52
Meta Platforms 'A'	27,699	6,884,221	5.63
Microsoft	42,737	10,618,243	8.68
Moody's	5,187	1,497,146	1.22
PayPal Holdings	39,065	5,443,753	4.45
S&P Global	5,650	1,969,818	1.61
Take-Two Interactive Software	18,992	2,494,279	2.04
Visa 'A'	45,379	7,267,280	5.94
		86,028,568	70.32

Portfolio statement
as at 31 December 2021
continued

Investment	Holding	Market value £	% of total net assets
EQUITIES - 98.67% (99.18%) - continued			
United Kingdom - 10.38% (10.62%)			
Diageo	65,066	2,626,064	2.15
Experian	150,162	5,453,884	4.46
Reckitt Benckiser Group	24,400	1,546,960	1.26
Unilever	77,921	3,073,983	2.51
		12,700,891	10.38
TOTAL EQUITIES		**120,705,566**	**98.67**
Portfolio of investments		**120,705,566**	**98.67**
Net other assets		**1,625,449**	**1.33**
Net Assets		**122,331,015**	**100.00**

Summary portfolio of investments	Market value £	% of Investments
Equities	120,705,566	100.00
Portfolio of investments	**120,705,566**	**100.00**

Figures in brackets refer to the proportion of the Fund invested in the equivalent investments as at 30 June 2021.
All investments are in ordinary stocks and shares except where otherwise stated.

Summary of major portfolio changes

The total purchases and sales for the reporting period

Purchases	Cost £'000
Visa 'A'	2,082
Meta Platforms 'A'	1,277
Mastercard 'A'	1,245
Take-Two Interactive Software	1,138

Sales	Proceeds £'000
Microsoft	1,790
eBay	1,137
Intuit	1,048
Nestlé	665
Experian	615
Agilent Technologies	566
Diageo	501
PayPal Holdings	396
American Express Company	374
Visa 'A'	237

Statement of total return (unaudited)
for the six months ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Income				
Net capital gains		8,265,196		5,387,707
Revenue	332,200		625,545	
Expenses	(516,701)		(504,049)	
Interest payable and similar charges	(28)		(38)	
Net (expense)/revenue before taxation	(184,529)		121,458	
Taxation	(21,196)		(39,344)	
Net (expense)/revenue after taxation		(205,725)		82,114
Total return before distributions		8,059,471		5,469,821
Distributions		(39,942)		(303,464)
Change in net assets attributable to shareholders from investment activities		8,019,529		5,166,357

Statement of change in net assets attributable to shareholders (unaudited)
for the six months ended 31 December 2021

	31 December 2021		31 December 2020	
	£	£	£	£
Opening net assets attributable to shareholders		114,960,921		109,640,498
Amounts receivable on issue of shares	3,212,186		1,551,510	
Amounts payable on cancellation of shares	(3,862,074)		(7,665,117)	
		(649,888)		(6,113,607)
Change in net assets attributable to shareholders from investment activities (see above)		8,019,529		5,166,357
Retained distribution on accumulation shares		453		3,315
Closing net assets attributable to shareholders		122,331,015		108,696,563

Balance sheet (unaudited)
as at 31 December 2021

	31 December 2021 £	30 June 2021 £
Assets:		
Investments	120,705,566	114,017,561
Current assets:		
Debtors	642,553	72,271
Cash and bank balances	1,189,487	1,563,094
	1,832,040	1,635,365
Total assets	**122,537,606**	**115,652,926**
Liabilities:		
Provisions for liabilities:		
Net distributions payable on income shares	(39,635)	(544,240)
Creditors	(166,956)	(147,765)
Total liabilities	**(206,591)**	**(692,005)**
Net assets attributable to shareholders	**122,331,015**	**114,960,921**

Notes to the financial statements (unaudited)
as at 31 December 2021

Accounting policies
The interim financial statements have been prepared in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, updated June 2017.

The financial statements have been prepared on the going concern basis.

Distribution table
for the six months ended 31 December 2021
in pence per share

Income shares

Interim dividend
Group 1 shares - Shares purchased prior to 1 July 2021
Group 2 shares - Shares purchased from 1 July 2021 to 31 December 2021

	Net revenue	Equalisation	Payable on 28 February 2022	Paid on 26 February 2021
Group 1	0.1027	-	0.1027	0.7039
Group 2	0.0120	0.0907	0.1027	0.7039

Accumulation shares

Interim dividend
Group 1 shares - Shares purchased prior to 1 July 2021
Group 2 shares - Shares purchased from 1 July 2021 to 31 December 2021

	Net revenue	Equalisation	Allocation on 28 February 2022	Allocated on 26 February 2021
Group 1	0.1043	-	0.1043	0.7053
Group 2	0.1043	-	0.1043	0.7053

Equalisation
This applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of income included in the purchase price of all Group 2 shares, and is refunded to holders of these shares as a return of capital. Being capital it is not liable to income tax, but must be deducted from the cost of shares for capital gains tax purposes.

General information

Buying and selling shares

On purchasing shares, you will receive a contract note confirming your purchase, which will be issued the business day after the deal has been priced. As proof of ownership, your name will be recorded on the register following receipt of payment and full registration details.

The Company is valued daily at 10:00 a.m. Monday to Friday. The prices calculated at these valuations will determine the price at which your deal is transacted. The Company is priced on a forward basis, i.e. all deals struck before the 10:00 a.m. valuation point receive prices calculated at that valuation point.

The ACD may vary the initial charge up to the maximum permitted by giving the Depositary notice of the change and amending the Prospectus.

Subject to the COLL Rules, the basis upon which prices may be calculated and any discounts on the initial charge are at the discretion of the ACD.

The minimum initial investment in the Fund which any one person can purchase, and the minimum holding in 'A' Shares and Accumulation Shares, is £1,000. The ACD at its discretion can waive these requirements.

Shares may be purchased or sold by telephoning 0345 850 0255 or writing to: Carvetian Capital Management Limited, Stuart House, St John's Street, Peterborough, PE1 5DD. For your protection calls are recorded. A contract note will be issued to confirm any sale of shares with payment being issued on the third business day following the pricing of the sale and all necessary renunciation documentation being received by the ACD. The time for telephone deals is 09:00 – 17:00 every business day.

ACD's approach to dilution

Unusually high levels of buying and selling may increase the Company's dealing costs and affect the value of its assets. This is known as 'dilution'.

To prevent this and to protect the interests of the majority of shareholders, the ACD at its discretion may charge a dilution levy. If charged, the dilution levy will be paid into the Company for the benefit of shareholders and will become part of the property of the Company.

Revenue

The Company offers accumulation and income shares which entitle shareholders to a share in any distribution of the revenue made by the Company, less expenses and applicable taxation, provided they retain those shares until and including the Company's dividend dates i.e. 31 December and 30 June each year. Any revenue to be distributed to shareholders is paid out on the Company's dividend pay dates i.e. end of February and the end of August each year. The revenue may be paid to shareholders directly to certain bank and building society accounts (BACS), by cheque or reinvested in the Company.

Tax

Capital gains

Authorised Funds are currently exempt from capital gains tax on the disposal of their investments. UK residents who are individuals or trusts may be liable to UK taxation of capital gains arising from the sale or other disposal of shares in the Company, if their total gains from all sources exceed the exemption limit for the tax year in which the disposal takes place. UK corporates will be subject to corporation tax on chargeable gains on profits made on the disposal of their shares in the Company.

Income tax

The following paragraphs summarise the basis of taxation on distributions, based on current legislation.

UK resident individuals are taxed on the sum of their distributions in excess of the tax-free dividend allowance of £2,000. Basic rate taxpayers will pay 7.5% income tax on dividends received in excess of the dividend allowance, higher rate taxpayers will pay 32.5% income tax, and additional rate taxpayers will pay 38.1% income tax. The dividend allowance is not available to Trusts.

Potential investors are advised to seek professional advice.

General information
continued

Corporate holders

For corporate shareholders, where the gross income from which the dividend distribution is made is not wholly franked investment income, part of the distribution is received as an annual payment.

Corporate shareholders will be subject to corporation tax on the non-franked element of distributions, which will be covered by the tax withheld by the Fund.

The amount of tax recoverable on dividends deemed to be annual payments will match the corporation tax paid by the Fund.

It should be noted that levels and bases of tax may be subject to change.

If investors are in any doubt as to their taxation position they should consult their professional advisor.

Further information

The information in this report is designed to enable shareholders to make an informed judgement on the activities of the Company during the period it covers and the result of those activities at the end of the period.

The following are available online at www.yealand.com or at the registered office of the ACD:

- Current
  - Price
  - Yield
  - Distribution rates
- Key Investor Information Document (KIID)
- Full Report & Accounts

The Company Prospectus is available free of charge on request from the ACD.

For more information about the activities and performance of the Company during the period, please contact the ACD at the address as noted on page 16, or online at http://electricandgeneral.com.

Directory

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Registered in England Number 6923395

(Authorised and regulated by the Financial Conduct Authority)

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Simon Longfellow

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