

Legal & General Property Feeder Fund
(formerly Legal & General UK Property Feeder Fund)

Interim Manager's Report
for the period ended
28 May 2024
(Unaudited)



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Manager's Investment Report

Investment Objective and Policy

The objective of the Fund is to achieve income and capital growth by investing solely in the Legal & General Property Fund (the "Master Fund").

The investment objectives and policies for the Master Fund are available on: <https://fundcentres.lgim.com/uk/ad/fund-centre/Unit-Trust/UK-Property-Fund>

While the Fund aims to be 100% invested in the Master Fund, it may hold cash where necessary to enable the making of payments to Unitholders or creditors.

Manager's Investment Report

During the period under review, the published price of the Fund's I-Class accumulation units increased from 93.50p on 28 November 2023 to 93.64p on 28 May 2024, representing an increase of 0.15%.

Past performance is not a guide to future performance.

The value of investments and any income from them may go down as well as up.

Market/Economic Review

Since the end of November 2023, the performance from commercial property has shown signs of recovery, as inflation falls, and market sentiment across the wider economy improves.

Following a negative performance of -0.50% in December 2023, returns in the beginning of the period showed signs of recovery, with positive performance thereafter. Throughout the period, capital growth has gone from negative at -1.00% in December to 0.10% in May, and income return remained positive and stable. Subsequently, total returns in April and May were 0.60% and 0.50% respectively.

Due to changes in Stamp Duty Land Tax for multiple dwellings, pricing for some living sector saw negative returns, seen through capital growth for the other sector at -1.30% in December 2023. However, performance for the sector returned to a healthy number with total return at 0.60% in May 2024. The leisure sector saw the highest total return of all sectors at 0.84% in April 2024.

The industrial sector continued to perform well/strongly, with total returns of 1.10% versus the all property return of 0.50% in the first quarter of 2024. This was primarily driven by strong income return and positive capital growth, highlighting a returned investor interest to the sector. Investor interest in the sector continues to be supported by strong occupier demand and a shortage of available space.

Returns in the retail market continue to be driven by investor interest in Retail Warehousing, which saw the highest capital value growth and total return within All Property sub sectors in the first quarter of 2024, at 0.40% and 2.00% respectively. Additionally, Shopping Centres saw the highest income return in the first quarter of 2024 at 1.70%, versus All Property at 1.20%.

Pricing and valuations across the office sector continued to fall from December to May, with total return of -0.50% and capital growth of -1.60% in the first quarter of 2024.

Manager's Investment Report continued

Fund Review

As approved at an EGM on the 10 April 2024, the investment policy of the Fund has been amended to enable it to invest a higher proportion of its assets in global property-related assets, such as Real Estate Investment Trusts ("REITs"). This change will allow the Fund to amend its current portfolio composition to reduce its direct exposure to UK real estate, from 80.00% to typically 45.00%, and to increase its indirect exposure to global real estate through REITs.

The Fund has continued to undertake disposals in order to support liquidity, facilitate redemptions and support the revised investment policy.

At the end of May 2024, the Fund has a cash position of 20.00%, and a further allocation of 5.00% in UK listed REITs. To maintain sector weightings and sustain ample liquidity, the Fund's sales have been across sectors.

The Fund successfully completed the sale of Birstall Shopping Park, Birstall which achieved a sale price of £60 million, a large lot size in an uncertain market, where debt availability was limited.

In order to maintain sector weightings, the Fund also chose to sell North Tower, Deansgate Square, a residential block in Manchester for £49 million and an office block in London, 120 Aldersgate Street for £23 million.

The Fund elected to sell some lower grade assets with impeding capital expenditure requirements, including Redcliff Quay, an office building in Bristol for £16.10 million and 51 Lincolns Inn Fields, an office building in London for £8.50 million. We also sold Waun Y Pound Industrial Estate in Ebbw Vale for £4 million.

The Fund also completed on the sale of an Audi car showroom in Edinburgh for £9.10 million.

The Fund has not and does not intend to undertake acquisitions at this point in time.

The Fund announced on 1 April 2022 that the anti-dilution spread on unit prices was to be temporarily reduced, effectively lowering the costs of entry to the Fund. The reduced spread still applies. For more details, please see the Fund's website.

Outlook

Going forward, we anticipate improved performance from the UK property market in the short term across all sectors as the market recover from the inflationary economic environment. We are seeing signs that prices have stabilised since the third quarter of 2022 and there may be growth opportunities as the market recovers, through careful positioning and asset management initiatives.

We expect more positive prospects from the Leisure & Other sector, to include living sectors such as residential, student accommodation and hotels. Whilst consumer confidence may have an effect, these sectors have a lack of supply, which should support rental and capital values.

Prime quality real estate that is both flexible and relevant to occupier's needs will exhibit more defensive characteristics. We believe the Fund's current strategy for a higher exposure to industrial and living and a lower exposure to both office and retail property will present further opportunity for growth and continue to benefit investors.

Manager's Investment Report continued

Additionally, we will be investing in a global REIT's Index strategy to provide increased liquidity and diversification.

Legal & General Investment Management Limited
(Investment Adviser)
18 June 2024

Important Note from the Manager

Geopolitical Events

In response to events in Eastern Europe and the Middle East, the Manager is closely monitoring financial markets and any potential liquidity and volatility risks which may have an impact on the Fund.

Legal & General (Unit Trust Managers) Limited
May 2024

Authorised Status

Authorised Status

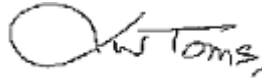
This Fund is an Authorised Unit Trust Scheme as defined in section 243 of the Financial Services and Markets Act 2000 and is a Non-UCITS Retail Scheme within the meaning of the FCA Collective Investment Schemes sourcebook.

Directors' Statement

We hereby certify that this Manager's Report has been prepared in accordance with the requirements of the FCA Collective Investment Schemes sourcebook.



A. J. C. Craven
(Director)



L. W. Toms
(Director)

Legal & General (Unit Trust Managers) Limited
24 July 2024

Portfolio Statement

Portfolio Statement as at 28 May 2024

All investments are in collective investment schemes unless otherwise stated. The percentages in brackets show the equivalent holdings at 28 November 2023.

Holding/ Nominal Value	Investment	Market Value £'000	% of Net Assets
	PROPERTY AUTHORISED INVESTMENT FUNDS — 95.45% (96.91%)		
313,004,808	Legal & General Property Fund Feeder Acc Shares	327,559	49.06
1,000	Legal & General Property Fund Feeder Hedged Acc Shares	4	—
1,000	Legal & General Property Fund Feeder Hedged Inc Shares	4	—
614,481,843	Legal & General Property Fund Feeder Inc Shares	309,689	46.39
		<hr/> 637,256	<hr/> 95.45
Portfolio of investments		637,256	95.45
Net other assets		<hr/> 30,405	<hr/> 4.55
Total net assets		<hr/> £667,661	<hr/> 100.00%

Total purchases for the period: £209,815,360.

Total sales for the period: £333,944,329.

Financial Statements

Statement of Total Return For the period ended 28 May 2024

	28/05/24		28/05/23
	£'000	£'000	£'000
Income			
Net capital losses		(15,413)	(18,446)
Revenue	17,977		20,155
Expenses	(2,711)		(4,208)
Interest payable and similar charges	—		(4)
Net revenue before taxation	<u>15,266</u>		<u>15,943</u>
Taxation	(3,973)		(3,720)
Net revenue after taxation for the period		<u>11,293</u>	<u>12,223</u>
Total return before distributions		(4,120)	(6,223)
Distributions		<u>(11,293)</u>	<u>(12,224)</u>
Change in net assets attributable to Unitholders from investment activities		<u>£(15,413)</u>	<u>£(18,447)</u>

Statement of Change in Net Assets attributable to Unitholders for the period ended 28 May 2024

	28/05/24		28/05/23
	£'000	£'000	£'000
Opening net assets attributable to Unitholders		797,238	1,174,894
Amounts received on issue of units	11,990		19,314
Amounts paid on cancellation of units	<u>(134,862)</u>		<u>(146,463)</u>
		(122,872)	(127,149)
Dilution levy		(681)	—
Change in net assets attributable to Unitholders from investment activities		(15,413)	(18,447)
Retained distributions on accumulation units		<u>9,389</u>	<u>9,487</u>
Closing net assets attributable to Unitholders		<u>£667,661</u>	<u>£1,038,785</u>

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

Financial Statements continued

Balance Sheet as at 28 May 2024

	28/05/24 £'000	28/11/23 £'000
ASSETS		
Fixed assets:		
Investments	637,256	772,584
Current assets:		
Debtors	9,451	19,530
Cash and bank balances	<u>27,963</u>	<u>15,568</u>
Total assets	<u>674,670</u>	<u>807,682</u>
LIABILITIES		
Creditors:		
Distributions payable	(722)	(1,583)
Other creditors	<u>(6,287)</u>	<u>(8,861)</u>
Total liabilities	<u>(7,009)</u>	<u>(10,444)</u>
Net assets attributable to Unitholders	<u>£667,661</u>	<u>£797,238</u>

Notes to the Financial Statements

1. Statement of Compliance

The Financial Statements have been prepared in compliance with UK Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Association in May 2014 (2014 SORP) and amended in June 2017.

2. Accounting Policies

The accounting policies applied are consistent with the most recent annual Financial Statements.

(a) Basis of Preparation

The Financial Statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of certain financial assets and liabilities measured at fair value through profit or loss. In making this assessment, the Manager has considered, amongst other things, factors such as Fund size, cash flows through the Fund and Fund liquidity in its assessment of the Fund's ability to meet its liabilities as they fall due for at least the twelve month period from the date the financial statements are signed. Based on this assessment, the Manager deems the basis of preparation appropriate.

Fund Information

Net Asset Values and Units in Issue

Class	Net Asset Value (£)	Units in Issue	Net Asset Value per Unit (p)
R-Class (Hedged)			
Distribution Units	1,016	1,000	101.60
Accumulation Units	1,018	1,000	101.80
R-Class			
Distribution Units	455,431	902,148	50.48
Accumulation Units	51,805,726	64,279,408	80.59
F-Class			
Distribution Units	7,286	13,838	52.65
Accumulation Units	227,608	258,655	88.00
I-Class (Hedged)			
Distribution Units	1,016	1,000	101.60
Accumulation Units	1,018	1,000	101.80
I-Class			
Distribution Units	80,583,120	151,974,732	53.02
Accumulation Units	505,066,452	535,033,148	94.40
C-Class (Hedged)			
Distribution Units	1,016	1,000	101.60
Accumulation Units	1,019	1,000	101.90
C-Class			
Distribution Units	1,013,713	1,837,551	55.17
Accumulation Units	28,491,378	28,808,890	98.90
L-Class			
Distribution Units	859	1,619	53.06
Accumulation Units	1,096	2,000	54.80
N-Class			
Distribution Units	939	2,000	46.95
Accumulation Units	987	2,000	49.35

Past performance is not a guide to future performance.

The price of units and any income from them may go down as well as up.

Fund Information continued

Ongoing Charges Figures*

	28 May 24	28 Nov 23
R-Class (Hedged)	2.19%	–
R-Class	2.16%	2.36%
F-Class	1.66%	1.86%
I-Class (Hedged)	1.44%	–
I-Class	1.41%	1.61%
C-Class (Hedged)	1.34%	–
C-Class	1.31%	1.49%
L-Class	0.89%	0.89%
N-Class	1.31%	1.49%

* The OCF's shown include the Property Expense Ratio (PER) of the underlying fund. The PER is the ratio of operating costs that relate to the management of the property assets to the average net assets of the L&G UK Property Fund.

The Ongoing Charges Figure (OCF) is the ratio of the Fund's total disclosable costs (excluding overdraft interest) and all costs suffered through holdings in the Underlying Master Fund, to the average net assets of the Fund.

The OCF is intended to provide a reliable figure which gives the most accurate measure of what it costs to invest in a fund and is calculated based on the last period's figures.

Fund Information continued

Distribution Information

R-Class (Hedged)

The distribution payable on 28 July 2024 is 0.1530p per unit for distribution units and 0.1530p per unit for accumulation units.

R-Class

The distribution payable on 28 July 2024 is 0.3698p per unit for distribution units and 0.5860p per unit for accumulation units.

F-Class

The distribution payable on 28 July 2024 is 0.4432p per unit for distribution units and 0.7288p per unit for accumulation units.

I-Class (Hedged)

The distribution payable on 28 July 2024 is 0.1990p per unit for distribution units and 0.1990p per unit for accumulation units.

I-Class

The distribution payable on 28 July 2024 is 0.4664p per unit for distribution units and 0.8296p per unit for accumulation units.

C-Class (Hedged)

The distribution payable on 28 July 2024 is 0.2140p per unit for distribution units and 0.2140p per unit for accumulation units.

C-Class

The distribution payable on 28 July 2024 is 0.5012p per unit for distribution units and 0.8861p per unit for accumulation units.

L-Class

The distribution payable on 28 July 2024 is 0.5461p per unit for distribution units and 0.5570p per unit for accumulation units.

N-Class

The distribution payable on 28 July 2024 is 0.4265p per unit for distribution units and 0.4445p per unit for accumulation units.

General Information

Constitution

Launch date:	23 May 2014
Period end dates for distributions:	28 February, 28 May, 28 August, 28 November
Distribution dates:	28 January, 28 April, 28 July, 28 October
Minimum initial lump sum investment:	R-Class £100 (Hedged) R-Class £100 I-Class £1,000,000 (Hedged) I-Class £1,000,000 C-Class £100,000,000 (Hedged)* C-Class* £100,000,000 L-Class** £500,000 N-Class† £100,000
Valuation point:	12 noon
Fund Management Fees:	R-Class 1.33% (Hedged) R-Class 1.30% (1.50% Prior to 12 April 2024) F-Class*** 0.80% (1.00% Prior to 12 April 2024) I-Class 0.58% (Hedged) I-Class 0.55% (0.75% Prior to 12 April 2024) C-Class 0.48% (Hedged)* C-Class* 0.45% (0.63% Prior to 12 April 2024) L-Class** 0.03% N-Class† 0.45% (0.63% Prior to 12 April 2024)
Initial charge:	Nil for all existing unit classes

* Class C and Hedged Class C units are only available to distributors who actively market and distribute such units (or whom the Manager believes intends to do so) and who have entered a written agreement with the Manager relating to the conditions for investment in such units.

** Class L units are only available to other Legal & General funds and/or companies which have entered into an agreement with the Manager or an affiliate of the Manager.

*** Class F units are closed to new subscriptions.

† Class N units are only available to investors which have entered into an agreement with the Manager or an affiliate of the Manager.

General Information continued

Pricing and Dealing

The prices are published on the internet at www.legalandgeneral.com/investments/funds/prices-and-reports/daily-fund-prices immediately after they become available.

Dealing in units takes place on a forward pricing basis, from 9:00am to 5:00pm, Monday to Friday.

Buying and Selling Units

Units may be bought on any business day from the Manager or through a financial adviser by completing an application form or on the internet at www.legalandgeneral.com. Units may normally be sold back to the Manager on any business day at the bid price calculated at the following valuation point.

ISA Status

This Fund may be held within this tax advantaged savings arrangement. The favourable tax treatment of ISAs may not be maintained. For full written information, please contact your usual financial adviser or ring 0370 050 0955.

Call charges will vary. We may record and monitor calls.

Prospectus and Manager's Reports

Copies of the Prospectus and the most recent annual or interim reports are available free of charge by telephoning 0370 050 0955 or by writing to the Manager.

Do you have difficulty in reading information in print because of a disability? If so, we can help. We are able to produce information for our clients in large print and braille. If you would like to discuss your particular requirements, please contact us on 0370 050 0955.

Creation/Cancellation Settlement

The Manager provides a net creation or cancellation decision and settlement with the Trustee, dependent on the inflows or outflows from Unitholders. This netting generates a revenue for the Manager, which is returned to the Fund. This provides an enhanced return to the Fund, though the size of any return is dependent on the size of inflows and outflows from Unitholders.

General Information continued

Remuneration Disclosure

In accordance with the Alternative Investment Fund Managers Directive (AIFMD), the Legal & General Property Feeder Fund, as an Alternative Investment Fund (AIF), is required to disclose the aggregate remuneration paid by the Alternative Investment Fund Manager (AIFM) and by the AIF to Identified Staff, together with the number of beneficiaries, and, where relevant, performance fees paid by the AIF. The aggregate amount of remuneration must be broken down by category of employees or other staff members and be split into fixed and variable remuneration.

The following provides information on the remuneration of persons whose professional activities have a material impact on the company and the funds we manage as at 31 December 2023.

Controlled Functions

Headcount	Fixed Remuneration (£'000)	Variable Remuneration (£'000)	Remuneration related to this Fund (Pro-rated) (£'000)
40	9,251	12,594	266

Material Risk Takers

Headcount	Fixed Remuneration (£'000)	Variable Remuneration (£'000)	Remuneration related to this Fund (Pro-rated) (£'000)
99	10,150	5,573	354

Controlled Functions

During 2023, Legal & General Unit Trust Managers Limited (UTM) engaged the services of four employees of Legal & General Investment Management (Holdings) Limited (LGIMH) to act as Directors. In addition, there were two non-executive Directors. UTM also engaged the services of a further 34 LGIMH employees to act in a variety of Controlled Functions, including Chief Compliance Officer, Money Laundering Reporting Officer, Client Asset Oversight, Systems and Controls Functions, Significant Management Functions and Customer Functions. These employees were also engaged by other companies in the L&G Group. The aggregate remuneration received by these individuals, for all their services across the L&G Group, is disclosed in the table above. We have prorated the remuneration figures by the Net Asset Value of the AIF as a percentage of the total assets under management of UTM.

Material Risk Takers

As at 31 December 2023, UTM engaged the services of Legal & General Investment Management's Real Assets Investment team, which consists of 99 investment professionals located in our London Office. The team includes a variety of Fund Managers, Analysts and Support Staff, with the Fund Managers empowered to take discretionary investment management decisions on behalf of the Fund. The team is also engaged in managing other Legal & General UTM Funds/Schemes and is also engaged by other companies in the L&G Group. The aggregate remuneration received by the members of the team, for all their services across the L&G Group, is disclosed in the table above. We have prorated the remuneration figures by the Net Asset Value of the UCITS Funds as a percentage of the total assets under management of the Legal & General Investment Management's Real Assets Investment team.

General Information continued

Taskforce on Climate related Financial Disclosures (TCFD) Report

In accordance with the Taskforce on Climate related Financial Disclosures (TCFD) requirements, Legal & General (Unit Trust Managers) Limited (UTM) has prepared its public TCFD report which is available for investors to read and review at the following website link:

https://www.lgim.com/landg-assets/lgim/_document-library/capabilities/lgim-ltd-tcf-d-legal-entity-report-2022.pdf.

Significant Changes

Change in Fund Name

With effect from 12 April 2024, the Legal & General UK Property Feeder Fund has changed its name to the Legal & General Property Feeder Fund. There was no change to the investment objective and policy of the Fund, the way the Fund is managed or its risk profile.

Change in Fund Management Fee (FMF)

With effect from 12 April 2024, the FMF for R-Class, F-Class, I-Class, C-Class and N-Class were reduced as shown below:

	Old FMF	New FMF
R-Class	1.50%	1.30%
F-Class	1.00%	0.80%
I-Class	0.75%	0.55%
C-Class	0.63%	0.45%
N-Class	0.63%	0.45%

New Unit Classes: R-Class (Hedged), I-Class (Hedged) and C-Class (Hedged)

R-Class (Hedged), I-Class (Hedged) and C-Class (Hedged) units were launched on 26 April 2024.

Change in Comparator Benchmark

With effect from 12 April 2024, the comparator Benchmarks for unhedged classes will be 45% MSCI UK Monthly Property Index, 45% FTSE EPRA NAREIT Developed Index and 10% Bank of England Base Interest Rate. For hedged classes, they will be 45% MSCI UK Monthly Property Index, 45% FTSE EPRA NAREIT Developed Index FTSE (Hedged to GBP) and 10% Bank of England Base Interest Rate.

Material updates to the prospectus

The Fund invests solely in the Legal & General Property Fund which is currently undergoing a portfolio transition to reduce its direct holdings in UK property from approximately 80% of its portfolio to approximately 45-50% of its portfolio. The transition process commenced on 12 April 2024 and is expected to be completed by July 2025 but may take longer due to the illiquid nature of real estate assets and varying market conditions. Potential investors should be aware that, for a period from 12 April 2024, the Legal & General Property Fund's investment in direct holdings in UK property will exceed the typical investment of 45% as stated in the investment policy.

General Information continued

Authorised Fund Manager

Legal & General (Unit Trust Managers) Limited
Registered in England and Wales No. 01009418
Registered office:
One Coleman Street,
London EC2R 5AA
Telephone: 0370 050 3350
Authorised and regulated by the Financial Conduct Authority

Directors of the Manager

M. M. Ammon
E. Cowhey*
A. J. C. Craven
D. J. Hosie*
R. R. Mason
L. W. Toms

*Non-executive Director

Secretary

J. McCarthy
One Coleman Street,
London EC2R 5AA

Registrar

Legal & General (Unit Trust Managers) Limited
Four Central Square
Cardiff CF10 1FS
Authorised and regulated by the Financial Conduct Authority

Dealing: 0370 050 0956
Enquiries: 0370 050 0955
Registration: 0370 050 0955

Call charges will vary. We may record and monitor calls.

Trustee

Northern Trust Investor Services Limited
Trustee and Depositary Services
50 Bank Street,
Canary Wharf,
London E14 5NT

Authorised and regulated by the Financial Conduct Authority

Independent Auditor

KPMG LLP
319 St Vincent Street,
Glasgow G2 5AS

Investment Adviser

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**Authorised and regulated by the
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