

**VT DOWNING INVESTMENT FUNDS ICVC**  
**(Sub-fund VT Downing Small & Mid-Cap Income Fund)**

**Interim Report and Financial Statements (Unaudited)**  
**for the six month period ended 30 September 2023**

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## COMPANY OVERVIEW

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**Type of Company:** VT Downing Investment Funds ICVC is an investment company with variable capital incorporated in England and Wales under registered number IC000824, with Product Reference Number 521374, and authorised by the Financial Conduct Authority with effect from 04 June 2010. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after he has paid the price on purchase of the shares.

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

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

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

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

## DIRECTOR'S STATEMENT

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

David E. Smith CA

Valu-Trac Investment Management Limited  
Authorised Fund Manager

Date:

## SUB-FUND OVERVIEW

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<b>Name of Sub-fund</b>	VT Downing Small & Mid-Cap Income Fund
<b>Size of Sub-fund</b>	£39,881,733
<b>Sub-fund objective and policy</b>	<p>The investment objective of the Sub-fund is to achieve a quarterly income, together with capital growth over the long term (5 years).</p> <p>The Sub-fund aims to meet its objective by investing at least 80% in shares of small (those with a market capitalisation of less than £1 billion) and medium sized (those with a market capitalisation of less than £5 billion) companies which are domiciled in, have their head office located in, or (which if not established in the UK) exercise the significant part of their business in the UK and which the Manager considers to have the ability to increase returns over time.</p> <p>The Sub-fund may also invest in other transferable securities (for example, without limitation, of non-small and medium sized companies and/or international equities) (including investment trusts), collective investment schemes, money market instruments, deposits, cash and near cash.</p> <p>The Sub-fund is actively managed.</p> <p>No more than 10% of the Scheme Property of the Sub-fund will be invested in other collective investment schemes (although such collective investment schemes could include those managed and/or operated by the AFM or Investment Manager).</p> <p>The Sub-fund will not have any particular industry or economic sector focus and as such weightings in these may vary as required.</p>
<b>Use of derivatives</b>	Derivatives may be used for the purposes of efficient portfolio management. The use of derivatives for efficient portfolio management will generally not increase the risk profile of the Sub-fund.
<b>ESG:</b>	<p>The Manager considers environmental, social and governance ("ESG") factors in determining whether a company or government is an appropriate investment for the Sub-fund at the time of purchase. The Manager's ESG guidelines are reviewed and applied on an ongoing basis by the Manager. However, the Manager has full discretion to invest in companies, regardless of any ESG considerations. Where an investment has ceased to be suitable (for example, due to a change or deterioration in its ESG characteristics in the opinion of the Manager), the Sub-fund may continue to hold such investment until such time it is possible and practicable in the Manager's view to liquidate the position in the interests of investors. The Manager's ESG criteria may change over time.</p> <p>As part of the investment process, the Manager considers ESG factors. The Manager conducts extensive analysis for each company against ESG components such as carbon emissions, water use, board composition, audit practises and executive remuneration, as well as examining a company's impact on consumers, employees and the wider society. The Manager utilises ESG research provided by Sustainalytics or for those companies with no Sustainalytics rating the Manager conducts their own research based on a proprietary questionnaire. The Managers Responsible Investment Policy is available to view at <a href="https://www.downing.co.uk/responsible-investing">https://www.downing.co.uk/responsible-investing</a>.</p>

## SUB-FUND OVERVIEW (Continued)

### Performance assessment

Many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

The Sub-fund is not managed to or constrained by a benchmark. The AFM does, however, assess the performance of the Sub-fund against the IA UK Equity Income Sector, which includes a selection of funds which have broadly similar characteristics, particularly in terms of investment objective and time horizons.

Some independent data providers prepare and publish performance data on the funds in this sector and investors can use this to assess the Sub-fund's performance. This information can be found on the IA website or Morningstar website.

### Authorised Fund Manager (AFM)

Valu-Trac Investment Management Limited

### Ex-distribution dates

31 March (annual), 30 June, 30 September and 31 December

### Distribution dates

31 May (annual), 31 August, 30 November and the last day of February (interim)

### Individual Savings Account (ISA)

The Sub-fund is a qualifying investment for inclusion in an ISA.

### Treatment of income

The AFM may even out the payments of income within an accounting period by carrying forward income otherwise distributable with a view to augmenting amounts to be paid out at a later date.

### Initial charge

0%

### Redemption charge

None

### Switching charge

Please refer to section 3.4 of the Company prospectus

### Share class information

Share class	Minimum initial	Minimum subsequent	Minimum holding	Monthly savings	Minimum redemption	Initial charge
Income shares	£1,000	£500	£1,000	N/A	N/A	0%
Accumulation Shares	£1,000	£500	£1,000	Yes	N/A	0%

The AFM may waive the minimum levels at its discretion.

### Annual management charges

£30,000<sup>1</sup> per annum plus 0.75% per annum of the net asset value of the Sub-fund attributable to the relevant class (plus VAT if applicable).

<sup>1</sup> The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021). In the event of negative inflation, this fee will remain unchanged.

### Performance overview

Over the six month period to 30 September 2023, the Fund generated a total shareholder return of -1.49% (Accumulation). This compares to +0.62% returned by the IA UK Equity Income sector. We would also highlight that the IA UK Smaller Companies sector returned -3.07%. The fund continues to employ a small cap focus to income investing therefore a comparison to the IA UK Smaller Companies sector is also relevant and helpful for investors.

Volatility in global markets was a continuing theme throughout the reporting period. In the UK, inflation began to decline from the double-digit peak witnessed towards the end of 2022. However, core inflation (which strips out items such as energy and food) remained stubbornly sticky at higher levels than the Bank of England's target. With wage inflation still elevated, this has resulted in a period of interest rates continuing to rise, reaching 5.25% by the period end. These dynamics, along with a general slowing in global economies, we believe this has resulted in a high degree of volatility as market participants are seeking to speculate on big macro driving forces like "terminal rates", "stagflation" and "recession", all of which have varying effects on market direction. But with no strong consensus emerging around some of these key themes, this is resulting in ongoing market volatility.

Over the period, the Fund has exited nine positions in full and taken on seven new positions.

### Key contributors and detractors

The key contributors to portfolio performance over the period were XPS Pensions (+25.66%) and Galliford Try (+41.24%), while iEnergizer (-89.42%) and Drax Group (-25.09%) were the most significant detractors.

XPS Pensions, a provider of pension actuarial and investment advice to large corporate pension trustees, continued to benefit from the changing macroeconomic environment that is forcing pension trustees to reassess asset allocations and options available to them now that interest rates have risen significantly. The business also enjoys a large degree of inflation linkage in its revenue streams. In the period there were a couple of positive announcements. The group reported strong full-year results, with revenue and earnings per share growth of 20% and 24%, respectively. It was also announced that XPS has agreed to sell its National Pension Trust to SEI for up to £42.5m, which effectively takes XPS Pensions to a net cash position.

Galliford Try, a contractor for large construction and infrastructure projects, has continued to benefit from the fallout of the construction contractors industry a few years ago. Its strong net cash balance sheet and strong operational performance have allowed it to continue to win new mandates when customers are more concerned about efficient delivery and the financial strength of the contractors they use. In the period, the group announced the settlement with a major infrastructure fund that it had done work for previously. Galliford Try was awarded a cash payment of £26m which resulted in the group announcing a 12p special dividend. It also reported full-year results which saw a 13% and 50% rise in revenue and earnings, and announced that given the strong momentum, management expects current full-year trading to be at the upper end of analysts estimates.

Drax Group, is the owner and operator of biomass power generation in the UK and biomass supply across Canada and North America. The company continued to benefit from tight energy markets and elevated pricing relative to pre-CV19 and Russian sanctions, albeit down from the peaks seen in the second half of 2022. In the period, the company reported half-year results in line with analyst consensus and announced a £150m share buyback programme. However, the Drax UK power station failed to receive approval for inclusion in a trial for fitting carbon capture to its biomass generation. The next decision for another around the next phase of carbon capture trials won't be announced until towards the end of 2024. There are unlikely to be any other positive catalysts between now and the end of 2024. Additionally, there are some concerns around the increased political debate around the validity of biomass generation as a source of renewable energy which resulted in the position being exited just post the reporting period end.

iEnergizer, is a provider of outsourced business operations and content development services. The company was trading strongly and benefitting from inflationary pressures resulting in large corporations looking to reduce costs by outsourcing operations to lower cost jurisdictions. However, it appeared the CEO and largest shareholder was disappointed with the lack of valuation support despite the strong trading performance. The largest shareholder proposed delisting the shares from the AIM market and given their high shareholding the proposal was duly passed, resulting in a material fall in the share price. The fund exited the position on the day of the proposal announcement. We were particularly disappointed with this outcome given our initial due diligence and dialogue with the management team. Their desire was to help increase the valuation attributed to the shares by increasing liquidity which would allow larger shareholders to join the shareholder register. We were therefore surprised and disappointed that the opposite decision was made to take the company private.

Downing LLP  
Investment Manager to the Fund  
02 November 2023

## PERFORMANCE RECORD

### Financial Highlights

#### Income Shares

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	108.3454	121.4517	113.8332
Return before operating charges	(1.1044)	(7.3023)	14.0225
Operating charges (note 1)	(0.5098)	(1.0800)	(1.2588)
Return after operating charges *	(1.6141)	(8.3823)	12.7637
Distributions on income shares	(2.6758)	(4.7240)	(5.1452)
Closing net asset value per share	104.0555	108.3454	121.4517
*after direct transactions costs of:	0.0956	0.3217	0.1765
Performance			
Return after charges	(1.49%)	(6.90%)	11.22%
Other information			
Closing net asset value	£39,124,375	£41,219,573	£41,952,948
Closing number of shares	37,599,528	38,044,595	34,542,898
Operating charges (note 2)	0.96%	0.94%	1.07%
Direct transaction costs	0.09%	0.28%	0.15%
Prices			
Highest share price	111.4631	124.6385	134.2860
Lowest share price	104.0555	100.7996	110.5539

#### Accumulation Shares

	Period ended 30 September 2023	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	197.4952	212.1266	190.8503
Return before operating charges	(2.0068)	(12.7062)	23.4322
Operating charges (note 1)	(0.9409)	(1.9252)	(2.1559)
Return after operating charges *	(2.9477)	(14.6314)	21.2763
Closing net asset value per share	194.5475	197.4952	212.1266
Distributions on accumulation shares	4.9075	8.3832	8.7454
*after direct transactions costs of:	0.1764	0.5735	0.3022
Performance			
Return after charges	(1.49%)	(6.90%)	11.15%
Other information			
Closing net asset value	£1,050,788	£1,073,925	£1,266,802
Closing number of shares	540,119	543,773	597,191
Operating charges (note 2)	0.96%	0.94%	1.07%
Direct transaction costs	0.09%	0.28%	0.15%
Prices			
Highest share price	203.1783	217.6936	228.3317
Lowest share price	192.2187	180.0431	190.5109



## PERFORMANCE RECORD (Continued)

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1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The ongoing charges figure is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund together with the ongoing charges included within the underlying holdings held within the Sub-fund.

### **Risk Profile**

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (31 March 2023: ranked 6). The Sub-fund is ranked 6 because weekly historical performance data indicates that significant rises and falls in market prices would have occurred historically.

## PORTFOLIO STATEMENT

As at 30 September 2023

Holding	Value £	% of net assets
<b>ENERGY (31.03.2023: 4.06%)</b>		
630,000 Gresham House Energy Storage Fund PLC	658,980	1.65
1,150,000 Diversified Energy Company PLC	933,225	2.34
	<u>1,592,205</u>	<u>3.99</u>
<b>INDUSTRIALS (31.03.2023: 13.74%)</b>		
224,000 Alpha Financial Markets Consulting PLC	795,200	1.99
444,000 Galliford Try PLC	1,045,620	2.62
494,753 Gateley Holdings PLC	722,339	1.81
309,500 Restore PLC	699,470	1.75
144,000 Ricardo PLC	720,000	1.81
257,244 Volex PLC	811,605	2.04
27,000 XP Power Ltd	637,200	1.60
	<u>5,431,434</u>	<u>13.62</u>
<b>CONSUMER GOODS (31.03.2023: 9.81%)</b>		
144,000 Britvic PLC	1,267,920	3.18
151,000 Hilton Food Group PLC	1,072,100	2.69
247,000 Kitwave Group PLC	627,380	1.57
361,173 Real Good Food PLC	3,612	0.01
131,000 Tate & Lyle PLC	906,520	2.27
	<u>3,877,532</u>	<u>9.72</u>
<b>HEALTH CARE (31.03.2023: 3.14%)</b>		
14,000 Bioventix PLC	532,000	1.33
	<u>532,000</u>	<u>1.33</u>
<b>CONSUMER SERVICES (31.03.2023: 13.65%)</b>		
239,000 Bloomsbury Publishing PLC	918,955	2.30
56,551 Zegona Communications PLC	17,644	0.04
411,000 Hollywood Bowl Group PLC	988,455	2.48
491,000 Moneysupermarket.Com Group PLC	1,178,400	2.95
221,000 Pets at Home Group PLC	733,720	1.84
803,000 Supreme PLC	963,600	2.42
60,000 WH Smith PLC	813,600	2.04
	<u>5,614,374</u>	<u>14.07</u>
<b>UTILITIES (31.03.2023: 5.95%)</b>		
194,000 Drax Group PLC	850,690	2.13
86,000 Telecom Plus PLC	1,274,520	3.20
	<u>2,125,210</u>	<u>5.33</u>
<b>PROPERTY (31.03.2023: 3.18%)</b>		
94,000 Belvoir Group PLC	202,100	0.51
150,460 Lokn Store Group PLC	1,062,248	2.66
	<u>1,264,348</u>	<u>3.17</u>

**PORTFOLIO STATEMENT (continued)****As at 30 September 2023**

<b>Holding</b>	<b>Value £</b>	<b>% of net assets</b>
<b>FINANCIALS (31.03.2023: 20.43%)</b>		
587,000 Argentex Group PLC	582,304	1.46
397,556 Conduit Holdings Ltd	1,812,855	4.55
251,500 Foresight Group Holdings Ltd	1,106,600	2.77
1,077,000 Frp Advisory Group PLC	1,260,090	3.16
160,000 H & T Group PLC	667,200	1.67
310,000 Integrafin Holding	722,920	1.81
57,000 Intermediate Capital Group PLC	789,165	1.98
1,074,873 Record PLC	819,053	2.05
692,000 Sabre Insurance Group PLC	1,060,144	2.66
555,000 TP ICAP PLC	941,280	2.36
968,000 XPS Pensions Group PLC	1,916,640	4.81
	<b>11,678,251</b>	<b>29.28</b>
<b>TECHNOLOGY (31.03.2023: 16.61%)</b>		
50,000 Computacenter PLC	1,266,000	3.17
118,000 FDM Group (Holdings) PLC	604,160	1.51
607,850 Fonix Mobile PLC	1,136,680	2.85
820,700 Redcentric PLC	1,021,772	2.57
126,000 Smart Metering Systems PLC	766,080	1.93
	<b>4,794,692</b>	<b>12.03</b>
<b>FIXED INTEREST (31.03.2023: 1.83%)</b>		
772,932 Real Good Food 12% C Sec Guar Ln Note 19/05/2024	579,699	1.45
238,752 Real Good Food Var Loan Note 19/05/2023	179,063	0.45
	<b>758,762</b>	<b>1.90</b>
<b>Portfolio of investments (31.03.2023: 92.40%)</b>	<b>37,668,808</b>	<b>94.44</b>
<b>Net other assets (31.03.2023: 7.60%)</b>	<b>2,212,925</b>	<b>5.56</b>
	<b>39,881,733</b>	<b>100.00</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total sales for the period</b>	<b>9,881,079</b>
Intermediate Capital Group PLC	746,108
Tate & Lyle PLC	704,611
Argentex Group PLC	676,697
H & T Group PLC	653,758
Volex PLC	643,648
X Power Ltd	613,329
Telecom Plus PLC	568,427
Lokn Store Group PLC	497,419
Restore PLC	486,942
Bloomsbury Publishing PLC	462,374
Other various sales	3,827,766

	£
<b>Total purchases for the year (note 14)</b>	<b>9,525,057</b>
Games Workshop Group PLC	1,038,740
EMIS Group PLC	928,764
Digital 9 Infrastructure	703,820
Ibstock PLC	668,536
Restore PLC	599,058
Watkin Jones PLC	574,762
PZ Cussons PLC	552,100
EKF Diagnostics Holdings PLC	422,103
Foresight Group Holdings Ltd	411,161
Alpha Financial Markets Consulting PLC	377,795
Other various purchases	3,248,218

The above represent the top 10 sales and purchases in the period.

## STATEMENT OF TOTAL RETURN

For the six months ended 30 September

	2023	2022
	£	£
Income		
Net capital (losses)	(1,535,312)	(6,199,768)
Revenue	1,073,660	951,078
Expenses	(194,365)	(190,985)
Interest payable and similar charges	-	(21)
Net revenue before taxation	879,295	760,072
Taxation	(11,834)	-
Net revenue after taxation	867,461	760,072
Total return before distributions	(667,851)	(5,439,696)
Finance costs: distributions	(1,039,396)	(897,580)
<b>Changes in net assets attributable to shareholders from investment activities</b>	<b>(1,707,247)</b>	<b>(6,337,276)</b>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six months ended 30 September

	2023	2022
	£	£
<b>Opening net assets attributable to shareholders</b>	<b>42,042,156</b>	<b>43,002,092</b>
Amounts receivable on creation of shares	458,077	6,457,620
Amounts payable on cancellation of shares	(937,879)	(1,762,174)
Dividend reinvested	26,626	24,054
Dilution levies	-	15,763
Changes in net assets attributable to shareholders from investment activities (see above)	(1,707,247)	(6,337,276)
<b>Closing net assets attributable to shareholders</b>	<b>39,881,733</b>	<b>41,400,079</b>

The Investment Association SORP requires that comparatives are shown for the above report. As comparatives are shown for the comparable interim period the net asset value at the end of the period will not agree to the net asset value at the start of the period. The Company net asset value as at 31 March 2023 was £42,042,156.

**BALANCE SHEET**

As at	30.09.2023		31.03.2023	
	£	£	£	£
<b>ASSETS</b>				
Investment assets		37,668,808		38,847,216
<b>Current assets</b>				
Debtors	933,852		238,652	
Cash and bank balances	<u>2,302,862</u>		<u>3,925,793</u>	
<b>Total current assets</b>		<u>3,236,714</u>		<u>4,164,445</u>
<b>Total assets</b>		40,905,522		43,011,661
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Distribution payable on income shares	(567,983)		(570,182)	
Creditors	<u>(455,806)</u>		<u>(399,323)</u>	
<b>Total current liabilities</b>		<u>(1,023,789)</u>		<u>(969,505)</u>
<b>Net assets attributable to shareholders</b>		<u>39,881,733</u>		<u>42,042,156</u>

**Accounting Policies**

The accounting policies applied are consistent with those of the financial statements for the year ended 31 March 2023 and are described in those financial statements.

The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017.

## DISTRIBUTION TABLES

### Q1 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

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

Accumulation	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.1240p	-	2.1240p	2.0839p
Group 2	1.3745p	0.7495p	2.1240p	2.0839p

Income	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.1652p	-	1.1652p	1.1928p
Group 2	0.2174p	0.9478p	1.1652p	1.1928p

### Q2 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2023

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

Accumulation	Net Revenue 30.11.2023	Equalisation	Distribution 30.11.2023	Distribution 30.11.2022
Group 1	2.7835p	-	2.7835p	2.2681p
Group 2	1.8337p	0.9498p	2.7835p	2.2681p

Income	Net Revenue 30.11.2023	Equalisation	Distribution 30.11.2023	Distribution 30.11.2022
Group 1	1.5106p	-	1.5106p	1.2853p
Group 2	0.6177p	0.8929p	1.5106p	1.2853p

## INFORMATION FOR INVESTORS

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### Individual shareholders

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

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

### Taxation

The Company will pay no corporation tax on its profits for the period ended 30 September 2023. Capital gains within the Company will not be taxed.

### Corporate shareholders

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

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

### Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours between 8.30am and 5.30pm. Instructions may be given by email to the below email addresses or by sending an application form to the Registrar. Application forms are available from the Registrar. Email [Downing@valu-trac.com](mailto:Downing@valu-trac.com)

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon on each dealing day.

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

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

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

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

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the AFM of a request for redemption.

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



**CORPORATE DIRECTORY**

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