

LIONTRUST SPECIAL SITUATIONS FUND

A close-up, high-contrast photograph of a lion's face. The lion's eye is a striking green, and its fur is a mix of golden-brown and dark brown. The background is dark, making the lion's features stand out.

Interim Report &
Financial Statements (unaudited)

For the period:

1 June 2024

to

30 November 2024

Managed in accordance with
The Liontrust Economic Advantage

LIONTRUST FUND PARTNERS LLP

LIONTRUST 

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* Collectively, these comprise the Authorised Fund Manager's Report (from herein referred to as the Manager's Report).

Management and Administration

Authorised Fund Manager ("Manager")

Liontrust Fund Partners LLP
2 Savoy Court
London WC2R 0EZ

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Administration and Dealing facsimile 0207 964 2562
Email Liontrustadmin@bnymellon.com
Website www.liontrust.co.uk

The Manager of Liontrust Special Situations Fund (the "Fund") is authorised and regulated by the Financial Conduct Authority ("FCA") and is a member of the Investment Association. The ultimate holding company of the Manager is Liontrust Asset Management PLC ("LAM", "Liontrust" or the "Group") which is incorporated in England.

Investment Adviser

Liontrust Investment Partners LLP
2 Savoy Court
London WC2R 0EZ

Authorised and regulated by the FCA.

Trustee

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA

Authorised by Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA.

Independent Auditor

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Administrator and Registrar

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London
EC4V 4LA

Authorised by PRA and regulated by the FCA and the PRA.

Liontrust Special Situations Fund

Liontrust Asset Management PLC

Liontrust Asset Management PLC (Company) is a specialist fund management company with £26.0 billion in assets under management as at 30 September 2024 and that takes pride in having a distinct culture and approach to managing money. What makes Liontrust distinct?

- The Company launched in 1995 and was listed on the London Stock Exchange in 1999.
- We are an independent business with no corporate parent, our head office is on the Strand in London and we have offices in Edinburgh and Luxembourg.
- We believe in the benefits of active fund management over the long term and all our fund managers are truly active.
- We focus only on those areas of investment in which we have particular expertise. We have seven fund management teams investing in Global Equities, Global Fixed Income, Sustainable Investment and Multi-Asset portfolios and funds.
- Our fund managers are independent thinkers and have the courage of their convictions in making investment decisions.
- Our fund managers have the freedom to manage their portfolios according to their own investment processes and market views without being distracted by other day-to-day aspects of running a fund management company.
- Each fund management team applies distinct and rigorous investment processes to the management of funds and portfolios that ensure the way we manage money is predictable and repeatable.
- Staying true to their documented investment processes helps to create an in-built risk control for our fund managers, especially in more challenging environments, by preventing them from investing in companies and funds for the wrong reasons.
- We aim to treat investors, clients, members, employees, suppliers and other stakeholders fairly and with respect. We are committed to the Consumer Duty outcomes and rules as well as the Principles of Treating Customers Fairly (TCF), and they are central to how we conduct business across all our functions.

Liontrust Asset Management PLC is the parent company of Liontrust Investment Partners LLP and Liontrust Fund Partners LLP which are authorised and regulated by the Financial Conduct Authority. Liontrust Asset Management PLC is also the parent company of Liontrust Europe S.A. which is regulated by the Commission de Surveillance du Secteur Financier in Luxembourg. All members of the Liontrust Group sell only Liontrust Group products.

Conflict in Ukraine

The ongoing war in Ukraine and the resultant geopolitical tensions including sanctions imposed on Russia and retaliatory action taken by Russia against foreign investors, continue to impact global financial markets (including stock, currency and commodities markets). Economic sanctions and the fallout from the conflict are affecting companies operating in a wide variety of sectors worldwide, including energy, financial services and defence, amongst others. As a result, the performance of the Fund may be negatively impacted even if they have no direct exposure to the regions involved in the conflict.

Manager's Investment Report

Investment Objective

The Fund aims to deliver capital growth over the long-term (5 years or more).

Investment Policy

The Fund will invest at least 90% in companies which are incorporated, domiciled or conduct significant business in the United Kingdom (UK).

The Fund will typically invest 90% (minimum 80%) in equities or equity related derivatives but may also invest in collective investment schemes (up to 10% of Fund assets), corporate debt securities, other transferable securities, money market instruments, warrants, cash and deposits.

The Fund is permitted to use derivatives for the purposes of efficient portfolio management and for investment purposes. Please refer to the Derivatives sections of the Prospectus for further details.

The Team

The award-winning Economic Advantage team have an average industry experience of 21 years. Anthony Cross joined Liontrust from Schroders in 1997 and was joined by Julian Fosh* in 2008. Julian had previously managed funds at Scottish Amicable Investment Managers, Britannic Investment Managers, Scottish Friendly Assurance Society and Saracen Fund Managers. Victoria Stevens and Matt Tonge joined the team in 2015. Victoria was previously Deputy Head of Corporate Broking at FinnCap, while Matt had spent nine years on the Liontrust dealing desk, latterly winning an industry award for his work in mid and small cap stocks. Alex Wedge joined the team in March 2020 from N+1 Singer, where he had spent over seven years, latterly as a senior member of the equity sales team. Natalie Bell joined the team in August 2022, having previously been a member of the Liontrust Responsible Capitalism team where she led engagement with investee companies. Alex Game joined the team in May 2024 from Unicorn Asset Management, where he had spent nearly 10 years and where he co-managed a range of funds including two UK equity funds and an AIM portfolio service.

** Julian Fosh has retired from fund management having spent 16 years at Liontrust. The Economic Advantage team continue to manage the Liontrust Special Situations Fund.*

The Process

The process seeks to identify companies that possess intangible assets which produce barriers to competition and provide a durable competitive advantage that allows the companies to defy industry competition and sustain a higher than average level of profitability for longer than expected.

In the fund managers' experience, the hardest characteristics for competitors to replicate are three classes of intangible asset: intellectual property, strong distribution channels and significant recurring business.

Other less powerful but nonetheless important intangible strengths include franchises and licenses; good customer databases and relationships; effective procedures and formats; strong brands and company culture.

These intangible assets produce barriers to competition, protect margins and are capable, in the opinion of the fund managers, of reaping a financial advantage in the form of cash flow returns in excess of the cost of capital. A company that consistently generates excess cash flow returns will benefit from compounding as it reinvests this excess return into the business.

Every smaller company held in the Economic Advantage funds has at least 3% of its equity held by senior management and main board directors. Companies are also assessed for employee ownership below the senior management and board and changes in equity ownership are monitored.

Manager's Investment Report (continued)

Performance of the Fund

In the six months to 30 November 2024 an investment in the Fund returned -2.6% (retail class) and -2.1% (institutional income class). This compares with an average return of 1.9% from the FTSE All-Share Index comparator benchmark, and a 1.2% return from the IA UK All Companies sector, also a comparator benchmark.

From the Fund's launch on 10 November 2005 to 30 November 2024, an investment in the Fund rose by 484% (retail class) and 574% (institutional income class), compared to a rise of 228% in the FTSE All-Share Index, and 201% from the IA UK All Companies sector comparator benchmarks.

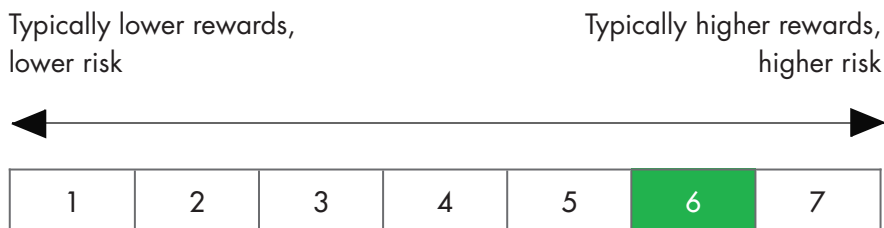
Source: Financial Express, bid to bid basis, total return (net of fees, income reinvested), figures show performance up to 30.11.2024. The primary class post-Retail Distribution Review is the institutional class, whereas pre-Retail Distribution Review the bundled Retail class performance history is used, unadjusted for the lower fees of the post Retail Distribution Review classes. Please note that total return has been calculated at midday whereas the financial statements are at close of business.

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Manager's Investment Report (continued)

Risk and Reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the risk and reward indicator.



- The Synthetic Risk and Reward Indicator ("SRRI") is based upon historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund's risk and reward category has been calculated using the methodology adopted by the Financial Conduct Authority. It is based upon the rate by which the Fund or a representative fund or Index's value has moved up and down in the past.
- The Fund invests in UK & Irish equities. The Fund may also invest in other eligible asset classes as detailed within the Prospectus.
- The Fund is categorised 6 primarily for its exposure to UK equities.
- The SRRI may not fully take into account the following risks:
 - that a company may fail thus reducing its value within the Fund;
 - overseas investments may carry a higher currency risk. They are valued by reference to their local currency which may move up or down when compared to the currency of the Fund.
- The Fund may, under certain circumstances, invest in derivatives, but it is not intended that their use will materially affect volatility. Derivatives are used to protect against currencies, credit and interest rate moves or for investment purposes. There is a risk that losses could be made on derivative positions or that the counterparties could fail to complete on transactions. The use of derivatives may create leverage or gearing resulting in potentially greater volatility or fluctuations in the net asset value of the Fund. A relatively small movement in the value of a derivative's underlying investment may have a larger impact, positive or negative, on the value of a fund than if the underlying investment was held instead. The use of derivative contracts may help us to control Fund volatility in both up and down markets by hedging against the general market.
- Outside of normal conditions, the Fund may hold higher levels of cash which may be deposited with several credit counterparties (e.g. international banks). A credit risk arises should one or more of these counterparties be unable to return the deposited cash.
- The Fund is expected to invest in companies predominantly in a single country which may be subject to greater political, social and economic risks which could result in greater volatility than investments in more broadly diversified funds.
- The Fund may encounter liquidity constraints from time to time. The spread between the price you buy and sell shares will reflect the less liquid nature of the underlying holdings.
- The Fund will invest in smaller companies and may invest a small proportion (less than 10%) of the Fund in unlisted securities. There

Manager's Investment Report (continued)

Risk and Reward profile (continued)

may be liquidity constraints in these securities from time to time, i.e. in certain circumstances, the Fund may not be able to sell a position for full value or at all in the short term. This may affect performance and could cause the Fund to defer or suspend redemptions of its shares.

- The Fund may invest in companies listed on the Alternative Investment Market (AIM) which is primarily for emerging or smaller companies. The rules are less demanding than those of the official List of the London Stock Exchange and therefore companies listed on AIM may carry a greater risk than a company with a full listing.
- The Fund's investment objective is to target capital growth for investors. Growth stocks tend to pay out lower levels of dividend resulting in lower income yields and may produce more volatile returns than the market as a whole.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- Environmental, Social and Governance (ESG) Risk: there may be limitations to the availability, completeness or accuracy of ESG information from third-party providers, or inconsistencies in the consideration of ESG factors across different third party data providers, given the evolving nature of ESG.

For full details of the Fund's risks, please see the prospectus which may be obtained from Liontrust (address on page 1) or online at www.liontrust.co.uk.

Manager's Investment Report (continued)

The Market

The FTSE All-Share Index returned 1.9% in the six months to 30 November 2024.

After a strong start to the year which saw an 8.7% total return in the first five months, the UK market largely moved sideways over the six-month review period, the 1.9% return almost entirely attributable to dividend income.

July's UK election result initially looked as if it would clear the path for stronger gains, with political uncertainty removed and the prospect of positive policy catalysts imminent. However, this confidence gave way to some uncertainty around possible changes to the fiscal landscape ahead of the Autumn Statement, particularly with regard to changes to the capital gains tax (CGT) rate and the tax status of AIM-listed shares.

Investor sentiment also proved susceptible to shifts in the global macroeconomic outlook, with August in particular experiencing a sharp market drop due to weaker-than-expected US employment data – undermining confidence in a soft economic landing and reviving recession fears – before a swift recovery as the US Federal Reserve indicated it would cut rates in September.

Fund Review

The Fund returned -2.1% (institutional income class) in the six months to 30 November 2024. The FTSE All-Share Index comparator benchmark returned 1.9% and the average return in the IA UK All Companies sector, also a comparator benchmark, was 1.2%.*

Some of the Fund's underperformance of the benchmark index can be attributed to its underweight within the financials sector. The sub-sector of banks delivered very strong gains of 12% over the period as there was a shift in interest rate expectations towards fewer cuts, with Trump's US election victory seen as likely to add to inflationary forces. This presented a considerable headwind for the Fund, which has zero exposure to high street banks as they typically possess few of the intangible assets the investment process seeks.

Additionally, the Fund's exposure to industrials was a headwind, detracting from performance in both relative and absolute terms. As confidence in the resilience of the global macroeconomic backdrop wavered, a number of the Fund's industrials suffered double-digit percentage falls, including IP-rich engineers **Renishaw**, **Spectris** and **Spirax-Sarco Engineering**.

One constant theme of the UK market in recent years has been the extent to which low share valuations – by international and historic standards – have attracted the attention of private equity or corporate acquirers keen to exploit the opportunity.

Within the Fund, on top of the approaches seen earlier in 2024 for **Hargreaves Lansdown**, **Keywords Studios** and **John Wood**, the six-month period saw three further portfolio holdings targeted: **Rightmove**, **TI Fluid Systems** and **Learning Technologies**.

Rightmove shares leapt on confirmation of bid interest from REA, before giving up a little of the ground gained as the approach was rejected and then withdrawn. REA is an Australian property specialist owning several residential, commercial and mortgage broking websites in its domestic market. It also has stakes in digital property portals in the US and Asia. Although REA increased its indicative offer on three occasions to finish at a cash-and-shares package valued around 775p, Rightmove stood firm in its view that the offer materially undervalued its standalone prospects.

TI Fluid Systems initially rejected two takeover offers from ABC Technologies, a Canadian electronic components distributor owned by private equity group Apollo. The automotive fluid systems specialist turned down cash offers pitched at 165p and 176p a share, decisions that the fund managers supported given that the approach looked highly opportunistic, coming at a trough point in the economic cycle. However, after two further offers at 188p and 195p were also rejected, Apollo tabled a 200p-a-share offer that was recommended by the TI Fluid Systems board.

"Highly opportunistic" is also a phrase that could equally be applied to the conditional approach for Learning Technologies (LTG) which was tabled at 100p a share by US private equity vehicle General Atlantic. The fund managers were disappointed that the board of LTG indicated they were "minded to recommend unanimously" at that level. Recent trading has undoubtedly been beset by short term headwinds due to the impact of macroeconomic pressures; nevertheless, LTG were keen to emphasise – as recently as in its interim results published just ten days prior to the approach being made public – that "the structural drivers of the learning and talent development market remain intact and support our belief that LTG will return to growth when market conditions improve".

Manager's Investment Report (continued)

Fund Review (continued)

With regard to John Wood, this year's approach from Dubai-based group Sidara was the second drawn-out round of takeover bid activity over the past two years following Apollo's aborted approach in 2023. John Wood rejected three successive takeover proposals from Sidara before agreeing to enter discussions over a fourth and final offer at 230p, only for Sidara to walk away in August citing rising geopolitical risks and financial market uncertainty. The Fund had been actively selling down its position ahead of Sidara walking away, due to persistent concerns over weak cashflow metrics, accounting 'red flags' and a high debt burden, and completed its exit during September.

Although takeover candidates were a notable feature of the Fund's top risers, there were also several holdings which strengthened on the back of underlying trading. **Moonpig** was the largest gainer. The Fund had been actively topping up its position during last year, when Moonpig's shares languished due to weak sentiment around the consumer environment. The shares have performed strongly this year, due to continued evidence of solid operational delivery. Moonpig expects mid-to-high single digit percentage revenue growth this year, while investors also welcomed a move to return excess cash through a new share buyback programme and the announcement of its first dividend, which will grow in line with earnings.

Global catering group **Compass** was another strong performer. It saw balanced growth in demand for outsourced services in all its regions and commented on the strength of its pipeline of opportunities. It raised revenue and profit targets for the year to 30 September 2024; organic revenue growth of above 10% and underlying operating profit growth of at least 15% is now expected.

Sage also moved higher on the back of strong trading, which included double digit growth in underlying annualised recurring revenue (ARR), along with operating margin accretion and strong cash generation. The company expects organic revenue growth of 9% or more in fiscal 2025, as well as with continued margin improvement. Investors also welcomed the decision by the accounting software provider to announce a £400 million share buyback.

From an operational perspective, the Fund's biggest disappointments over the period were **Next 15** and **YouGov**.

Next 15 issued a September profit warning triggered by the loss of a significant contract – in the Mach49 agency – and a softening of client spending from its technology customers in particular. The fund managers have since engaged at length with the company to form a better understanding of the factors at play, as well as steps that will be taken to return the company to a solid trading footing. Shares in YouGov, the research data and analytics group, fell heavily after it issued an unscheduled profit warning in June. Since the interim results in March, when it reaffirmed confidence in meeting the full-year sales guidance, it had experienced weaker performance than anticipated, with a slowdown in the Data Products division. Fast turnaround research services also declined, although the recently acquired Consumer Panel Services business is said to be performing well.

Portfolio Changes

Over recent years, the Fund has been keen to take advantage of the long-time horizon of the Economic Advantage process by deploying excess capital to top up existing holdings trading at depressed valuations, where the fund managers believe the medium-long term potential has been fundamentally overlooked by the market in the short term. The fund managers have also been on the lookout for new ideas where the companies in question exhibit the potential to compound growth strongly over future years.

In keeping with this approach, the Fund initiated a position in **Fevertree Drinks**. This mixer and adult soft drinks brand likely needs little introduction for many readers. It was bought for the Fund thanks to its key intangible asset strength in distribution. Fevertree enjoys a commanding market leadership position in the UK with 45% value share of the entire mixer market, and also occupies number one market positions in Europe and Australia in premium mixers. It has been making significant inroads into the US as well, extending its position as the largest premium mixer brand in a growing category. The challenges of global expansion in times of rampant inflationary pressure have wrought havoc on the share price over the past few years, but the fund managers believe Fevertree's compelling longer term growth runway – through both expansion of the product range and further geographic expansion – mean that current levels provide an attractive entry point on a longer-term view.

Manager's Investment Report (continued)

Portfolio Changes (continued)

The Fund also initiated a new FTSE 100 position in **ConvaTec**. ConvaTec is a provider of medical products designed to help patients manage chronic conditions, including advanced wound care dressings, ostomy care devices, continence care products and infusion sets for diabetic insulin pumps. The company exhibits strong barriers to competition in the form of its intellectual property, with high levels of patents, research and development (R&D) innovation and category know-how. It also enjoys market leadership positions in its core categories and has a significant strength in distribution, providing products and services in almost 100 countries around the world from nine manufacturing locations. Meanwhile, although revenues are not technically contracted recurring, there is a high degree of repeatability of sales (>90%) due to the chronic nature of the conditions treated.

Keywords Studios, the support services provider to the video gaming industry, exited the portfolio in October on completion of its acquisition by Swedish private equity group EQT.

The position in Hargreaves Lansdown was exited in November ahead of the completion of its takeover by a private equity consortium. With the shares trading close to the acquisition terms and completion not expected to occur until next year, the fund managers opted to redeploy the capital elsewhere. As mentioned previously, the position in John Wood was divested from the portfolio.

The position in cloud computing infrastructure and IT managed services provider **iomart** was also sold. The company's competitive advantage has been challenged in recent years by the dominance of hyperscale cloud providers and public cloud solutions. iomart owns its own data centres and specialises in private and hybrid cloud provision, organic growth and operating profit margins have trended down and put significant pressure on cash flow returns on capital.

Outlook

The team feels there is currently a compelling opportunity for investors in UK shares, which continue to trade at a substantial discount to their intrinsic value.

Despite significant headwinds in recent years, the fund managers expect the high-quality characteristics of the portfolio's companies to allow them to re-rate to close out this valuation anomaly, especially as interest rates fall.

The fund managers have not altered their investment process and retain high conviction in their ability to apply it to generate long-term outperformance in the UK market. Their approach of seeking companies with durable barriers to competition stemming from their intangible assets, coupled with a high return on capital, has been consistent since the Fund launched 19 years ago and has served the Fund well over the long term.

While the re-rating potential of UK equities is significant, the timing and magnitude of the catalysts remains uncertain. There is the potential for government policy intervention (focused on pension fund domestic equity allocations in particular) to help turn the tide of investor sentiment and capital flows, which would be of particular benefit to smaller company valuations.

In the meantime, the team is optimistic about the portfolio's ability to continue to deliver attractive long term investment returns, supported by an attractive combination of earnings growth compounding and increasingly shareholder yield (both dividend and share buybacks).

** Source: Financial Express, bid to bid basis, total return, net of fees, income reinvested, 30.11.2024. Please note that total return has been calculated at midday whereas the financial statements are at close of business.*

Anthony Cross, Julian Fosh, Matt Tonge and Victoria Stevens

Fund Managers

December 2024

Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested.

Manager's Investment Report (continued)

Material portfolio changes by value

Purchases

Fevertree Drinks
ConvaTec
Auction Technology
Team 17
Alpha
Kainos
Domino's Pizza
Mortgage Advice Bureau
Alfa Financial Software
Craneware

Sales

Keywords Studios
Hargreaves Lansdown
John Wood
TI Fluid Systems
Gamma Communications
TP ICAP
RELX
Unilever
Coats
IMI

Authorised Status

The Fund is an authorised unit trust scheme ("the Scheme") under Section 243 of the Financial Services and Markets Act 2000 (authorisation orders) and the Financial Conduct Authority's Collective Investment Schemes Sourcebook and is categorised as a UCITS scheme.

Certification of Financial Statements by Partners of the Manager

We certify that this Manager's Report has been prepared in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.



Martin Kearney

Partner, Chief Risk Officer



Antony Morrison

Partner, Head of Finance

Liontrust Fund Partners LLP
28 January 2025

Performance Tables (unaudited)

as at 30 November 2024

Net asset value

Period end	Units in Issue	Net Asset Value (£'000)	Net Asset Value per unit (p)
30 November 2024			
Advised Income	1,096,522	5,423	494.58
B Income	7,606,736	8,280	108.85
Institutional Accumulation	429,646,666	562,897	131.01
Institutional Income	463,154,422	2,304,366	497.54
Mandate Income	58,036,516	68,780	118.51
Retail Income	7,053,427	34,669	491.53
31 May 2024			
Advised Income	1,181,450	5,994	507.33
B Income	8,075,480	9,030	111.82
Institutional Accumulation	546,405,672	733,510	134.24
Institutional Income	550,720,221	2,806,903	509.68
Mandate Income	77,517,789	94,054	121.33
Retail Income	8,072,501	40,838	505.89
31 May 2023			
Advised Income	1,699,583	7,724	454.45
B Income	10,869,706	10,883	100.12
Institutional Accumulation	842,035,468	992,421	117.86
Institutional Income	732,495,463	3,343,594	456.47
Mandate Income	171,660,794	186,446	108.61
Retail Income	11,241,464	50,955	453.27
31 May 2022			
Advised Income	1,898,615	8,891	468.31
B Income	11,139,871	11,497	103.20
Institutional Accumulation	916,348,610	1,091,276	119.09
Institutional Income	838,967,440	3,946,399	470.39
Mandate Income	250,819,357	280,703	111.91
Retail Income	29,599,816	138,045	466.37

Portfolio Statement (unaudited)

as at 30 November 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (99.00%)	2,782,139	93.22
	UNITED KINGDOM (94.80%)	2,733,490	91.59
	Advertising (1.94%)	31,058	1.04
5,745,061	Next Fifteen Communications+	24,560	0.82
15,110,732	Pebble+	6,498	0.22
	Auto Parts & Equipment (1.55%)	25,840	0.87
13,458,142	TI Fluid Systems	25,840	0.87
	Beverages (2.42%)	92,035	3.08
2,956,679	Diageo	69,541	2.33
3,229,628	Fevertree Drinks+	22,494	0.75
	Commercial Services (13.23%)	366,696	12.30
1,068,827	Intertek	50,385	1.69
15,399,012	Pagegroup	55,467	1.86
2,792,297	RELX	103,455	3.47
6,155,298	Robert Walters	21,359	0.72
34,301,367	RWVS+	52,618	1.76
5,631,751	Savills	60,485	2.03
5,210,717	YouGov+	22,927	0.77
	Computers (2.13%)	60,377	2.02
4,424,136	Kainos	34,331	1.15
9,075,424	Midwich+	26,046	0.87
	Cosmetics & Personal Care (4.48%)	148,720	4.98
12,755,675	Haleon	47,744	1.60
2,148,417	Unilever	100,976	3.38
	Distribution & Wholesale (1.57%)	55,430	1.86
1,558,775	Bunzl	55,430	1.86
	Diversified Financial Services (13.21%)	331,488	11.11
10,064,134	AJ Bell	47,704	1.60
2,651,328	Alpha	57,799	1.94
1,423,426	Brooks Macdonald+	22,205	0.74
8,894,399	Impax Asset Management+	29,618	0.99

Portfolio Statement (unaudited) (continued)

as at 30 November 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Diversified Financial Services (continued)		
13,160,095	IntegraFin	51,851	1.74
4,904,554	Mortgage Advice Bureau+	30,899	1.04
34,823,741	TP ICAP	91,412	3.06
	Electronics (6.25%)	167,858	5.62
1,803,147	Renishaw	56,439	1.89
17,740,286	Rotork	59,075	1.98
2,068,926	Spectris	52,344	1.75
	Engineering & Construction (2.28%)	52,943	1.77
2,908,967	IMI	52,943	1.77
	Food Services (3.23%)	103,208	3.46
3,836,743	Compass	103,208	3.46
	Healthcare Products (0.00%)	21,759	0.73
9,235,766	ConvaTec	21,759	0.73
	Home Furnishings (0.46%)	12,564	0.42
4,741,241	Focusrite+	12,564	0.42
	Internet (2.86%)	129,471	4.34
5,403,820	Auction Technology	27,884	0.93
28,658,504	Moonpig	71,503	2.40
4,665,629	Rightmove	30,084	1.01
	Machinery Construction & Mining (2.39%)	76,435	2.56
3,439,938	Weir	76,435	2.56
	Machinery Diversified (1.77%)	44,166	1.48
616,407	Spirax-Sarco Engineering	44,166	1.48
	Media (1.48%)	35,708	1.20
3,963,111	Future	35,708	1.20

Portfolio Statement (unaudited) (continued)

as at 30 November 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	UNITED KINGDOM (continued)		
	Oil & Gas Producers (6.68%)	185,613	6.22
23,335,492	BP	89,748	3.01
3,787,632	Shell	95,865	3.21
	Oil & Gas Services (1.68%)		
	Pharmaceuticals (6.58%)	174,376	5.84
929,465	AstraZeneca	98,616	3.30
5,677,047	GSK	75,760	2.54
	Retail (1.96%)	71,249	2.39
20,930,933	Domino's Pizza	71,249	2.39
	Software (8.71%)	320,286	10.72
15,170,376	Alfa Financial Software	33,451	1.12
22,386,249	Big Technologies+	29,326	0.98
2,744,910	Craneware+	63,407	2.12
29,285,045	dotdigital+	27,001	0.90
59,097,995	Learning Technologies+	53,661	1.80
6,622,392	Sage	86,853	2.91
13,293,251	Team 17+	26,587	0.89
	Telecommunications (5.66%)	163,211	5.47
4,816,680	Gamma Communications+	76,104	2.55
43,336,586	GlobalData+	87,107	2.92
	Textiles (2.28%)	62,999	2.11
65,487,769	Coats	62,999	2.11
	JERSEY (1.59%)	48,649	1.63
	Diversified Financial Services (1.59%)	48,649	1.63
4,807,220	JTC	48,649	1.63

Portfolio Statement (unaudited) (continued)

as at 30 November 2024

Holding/ Nominal value	Stock description	Market value (£'000)	Percentage of total net assets (%)
	EQUITIES (continued)		
	IRELAND (2.61%)	0	0.00
	Computers (2.61%)	0	0.00
	Portfolio of investments	2,782,139	93.22
	Net other assets	202,276	6.78
	Total net assets	2,984,415	100.00

All securities are approved securities traded on eligible securities markets, as defined by the Collective Investment Scheme Sourcebook, unless otherwise stated.

All equity investments are in ordinary shares unless otherwise stated.

Comparative figures shown in brackets relate to 31 May 2024.

+ AIM listed.

Financial Statements (unaudited)

Statement of Total Return (unaudited)

for the period ended 30 November 2024

	(£'000)	1.6.2024 to 30.11.2024 (£'000)	(£'000)	1.6.2023 to 30.11.2023 (£'000)
Income				
Net capital losses		(118,067)		(123,901)
Revenue	39,075		59,465	
Expenses	(13,870)		(17,585)	
Interest payable and similar charges	–		(1)	
Net revenue before taxation	25,205		41,879	
Taxation	–		–	
Net revenue after taxation		25,205		41,879
Total return before distributions		(92,862)		(82,022)
Distributions		–		(3,816)
Change in net assets attributable to unitholders from investment activities		(92,862)		(85,838)

Statement of Change in Net Assets Attributable to Unitholders(unaudited)

for the period ended 30 November 2024

	(£'000)	1.6.2024 to 30.11.2024 (£'000)	(£'000)	1.6.2023 to 30.11.2023 (£'000)
Opening net assets attributable to unitholders		3,690,329		4,592,023
Amounts received on issue of units	168,675		253,134	
Amounts paid on cancellation of units	(781,727)		(922,053)	
		(613,052)		(668,919)
Change in net assets attributable to unitholders from investment activities		(92,862)		(85,838)
Unclaimed distributions		–		1
Closing net assets attributable to unitholders		2,984,415		3,837,267

The opening net assets attributable to unitholders for the current period do not equal the closing net assets attributable to unitholders for the comparative period as they are not consecutive periods.

Financial Statements (unaudited) (continued)

Balance Sheet (unaudited)

as at 30 November 2024

	30.11.2024 (£'000)	31.5.2024 (£'000)
Assets		
Fixed assets		
Investments	2,782,139	3,653,421
Current assets:		
Debtors	45,552	19,517
Cash and bank balances	191,373	126,327
Total assets	3,019,064	3,799,265
Liabilities		
Creditors:		
Distribution payable	–	(59,539)
Other creditors	(34,649)	(49,397)
Total liabilities	(34,649)	(108,936)
Net assets attributable to unitholders	2,984,415	3,690,329

Accounting Policies

The financial statements have been prepared on a going concern basis in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 (the "SORP") and updated in June 2017, the COLL and the Fund's Trust Deed and Prospectus. In applying UK GAAP, the financial statements have been prepared in compliance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102").

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

Securities Financing Transactions (unaudited)

as at 30 November 2024

Securities Lending

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Stock Lending Agent, The Bank of New York Mellon (London Branch), a related party to the Fund, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of The Bank of New York Mellon (International) Limited ("the Trustee") on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Stock Lending Agent.

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 70% while the Stock Lending Agent receives 30% of such income, with all operational costs borne out of the Stock Lending Agent's share.

Return and cost

The table below shows the net income earned by the Fund from securities lending activity during the period to 30 November 2024.

	Collective Investment Undertaking (£'000)	Manager of Collective Investment Undertaking (£'000)	Third Parties (e.g. lending agent) (£'000)	Total (£'000)
Securities lending				
Gross return	26	–	11	37
% of total	70%	0%	30%	100%
Cost	–	–	–	–

Securities lending

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 30 November 2024. The income earned from securities lending are also shown for the period ended 30 November 2024. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

	Securities on loan	
% of lendable assets	% of NAV	Income earned (£'000)
1.67	1.55	26

Securities Financing Transactions (unaudited)(continued)

as at 30 November 2024

Securities lending (continued)

The following table details the value of securities on loan and associated collateral received, analysed by counterparty as at 30 November 2024.

Counterparty	Counterparty's country of establishment	Securities Lending	
		Amount on loan (£'000)	Collateral received (£'000)
Barclays Capital Securities Limited	UK	20,311	22,568
Citigroup Global Markets Limited	UK	7,108	7,819
HSBC Bank	UK	6,941	7,701
J.P. Morgan Securities Plc	UK	60	66
Jefferies International	USA	3,213	3,535
Merrill Lynch International	UK	4,556	4,838
Morgan Stanley International	UK	680	715
The Bank of Nova Scotia	Canada	2,198	2,418
UBS	Switzerland	1,332	1,406
Total		46,399	51,066

All securities on loan have an open maturity tenor as they are callable or terminable on a daily basis.

Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions, as at 30 November 2024.

Currency	Cash collateral received (£'000)	Cash collateral posted (£'000)	Non-cash collateral received (£'000)	Non-cash collateral posted (£'000)
Securities lending transactions				
AUD	-	-	2,214	-
CAD	-	-	106	-
CHF	-	-	766	-
EUR	-	-	9,063	-
GBP	-	-	9,783	-
HKD	-	-	18,042	-
JPY	-	-	2,436	-
NZD	-	-	3	-
USD	-	-	8,653	-
Total	-	-	51,066	-

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions cannot be sold, re-invested or pledged.

Securities Financing Transactions (unaudited)(continued)

as at 30 November 2024

Collateral (continued)

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 30 November 2024.

Collateral type and quality	Maturity Tenor					Open transactions (£'000)	Total (£'000)
	1 - 7 days (£'000)	8 - 30 days (£'000)	31 - 90 days (£'000)	91 - 365 days (£'000)	More than 365 days (£'000)		
Collateral received - securities lending							
Fixed income							
Investment grade	–	–	53	1,088	8,062	–	9,203
Equities							
Recognised equity index	–	–	–	–	–	41,863	41,863
Total	–	–	53	1,088	8,062	41,863	51,066

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and exchange traded funds (ETFs) received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

As at 30 November 2024, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 30 November 2024.

Issuer	Value (£'000)	% of the Fund's NAV
Barclays Capital Securities Limited	22,568	0.76
Citigroup Global Markets Limited	7,819	0.26
HSBC Bank	7,701	0.26
Merrill Lynch International	4,838	0.16
Jefferies International Ltd	3,535	0.12
The Bank of Nova Scotia	2,418	0.08
UBS	1,406	0.05
Morgan Stanley International	715	0.02
J.P.Morgan Securities Plc	66	0.00
Total	51,066	1.71

Additional Information (unaudited)

Trust Deed: The Fund was established by a Trust Deed made between the Manager and the Trustee dated 5 September 2005.

Prospectus: Copies of the Fund's Prospectus are available free of charge from the Manager upon request, and from our website, www.liontrust.co.uk.

Unit type: The Fund issues income and accumulation units. Investors can elect at any time to have any income either paid out or automatically reinvested to purchase units at no initial charge.

Pricing and dealing: A buying price (the price at which you have bought the units in the Fund and being the higher) and a selling price (the price at which you can sell the units back to the Manager and being the lower) are always quoted for the Fund. The buying price includes the Manager's initial charge.

Dealing in all unit trusts operated by Liontrust Fund Partners LLP may be carried out between 09.00 and 17.00 hours on any business day. Professional investors and advisers may buy and sell units over the telephone; private investors are required to instruct the Manager in writing for initial purchases, but can deal over the telephone thereafter. Prices are quoted on a 'forward' basis. This means that all deals are based on a price that is calculated at the next valuation point (which is 12.00 hours on each business day) following receipt of instructions. Instructions received before 12.00 hours will be priced at 12.00 hours that day, whilst those deals taken later in the day will receive the next dealing price which is fixed at 12.00 hours on the following business day.

The minimum initial lump sum investment in the Fund is £1,000, the minimum additional investment is £1,000 and the amount you may sell back to the Manager at any one time is £500. Please refer to the Prospectus for more details.

A contract note in respect of any purchase will be issued the day following the dealing date. Unit certificates will not be issued. Instructions to sell your units may be required to be given by telephone and then confirmed in writing to Liontrust Fund Partners LLP at PO Box 373, Darlington, DL1 9RQ. A contract note confirming the instruction to sell will be issued the day following the dealing day. Following receipt of a correctly completed Form of Renunciation, a cheque in settlement will be sent directly to you or your bank/building society, if proof of ownership of the account has been received by us, in four business days. Liontrust does not make or accept payments to or from third parties unauthorised by the Financial Conduct Authority or other financial regulator.

Management charges and spreads: The initial charge and annual management fees per unit class are detailed below.

Initial charge	%	Ongoing charges figure*	%	Included within the OCF is the Annual Management Charge**	%
Advised Income	up to 2	Advised Income	1.06	Advised Income	1.00
B Income	up to 5	B Income	1.31	B Income	1.25
Institutional Accumulation	Nil	Institutional Accumulation	0.81	Institutional Accumulation	0.75
Institutional Income	Nil	Institutional Income	0.81	Institutional Income	0.75
Mandate Income	Nil	Mandate Income	0.71	Mandate Income	0.65
Retail Income	up to 5	Retail Income	1.81	Retail Income	1.75

* The OCF covers all aspects of operating a Fund during the course of its financial period. These include the annual charge for managing the Fund, administration and independent oversight functions, such as trustee, custody, legal and audit fees. The OCF excludes portfolio transaction costs except for an entry/exit charge paid by the Fund when buying or selling units in another Fund.

** These are the annual costs of running and managing the Fund.

Publication of prices: The price of units in the Fund is quoted on our website, www.liontrust.co.uk and other industry websites such as www.trustnet.com. Daily and historic Fund prices are available from our Dealing and Administration team on 0344 892 0349.

Capital Gains Tax: As an authorised unit trust, any capital gains made within the Fund is exempt from UK Capital Gains Tax. An individual investor is subject to capital gains tax on gains made on their investment, however an individual's first £3,000 of net gains on disposals in the 2024-2025 tax year are exempt from tax (2023-2024: £6,000).

Additional Information (unaudited) (continued)

Income Tax: UK tax resident individuals are now entitled to a new tax-free dividend allowance in place of the dividend tax credit. Consequently, all income from dividend distributions is now regarded as gross income.

UK resident individuals who are not liable to tax are not able to reclaim the tax credits from the HM Revenue and Customs. In the case of UK resident individuals who are liable to starting or basic rate tax only, the tax credit will match his or her liability on the distribution and there will be no further tax to pay and no right to claim repayments from the HM Revenue and Customs. In the case of a higher rate taxpayer, the tax credit will be set against, but not fully match, his or her tax liability on the distribution. Such people will have an additional tax liability to pay.

Assessment of Value: The regulator - the FCA - has asked every asset manager to assess the value of the funds they run. Assessing value goes beyond performance and costs and encompasses a minimum of seven criteria mandated by the FCA. The assessment of value of the Fund and other UK-domiciled funds managed by Liontrust will be conducted as at 30 June each year, with a publication deadline of end of October. The assessment of value report can be viewed on the Liontrust website www.liontrust.co.uk/learning/assessment-of-value.

Task Force on Climate-Related Disclosures (TCFD) Product Reports: Under the rules of the Financial Conduct Authority (FCA), Liontrust is required to publish information annually on product level (fund) TCFD disclosures so that investors may have a better understanding of the climate-related risks and opportunities associated with this Fund and its underlying holdings. This report is published in line with the requirements of the FCA and TCFD. The individual TCFD Product Reports can be viewed within the individual Fund pages on the Liontrust website (www.liontrust.co.uk/our-funds).

Significant Events After the Period End: Julian Fosh has retired from fund management having spent 16 years at Liontrust. The Economic Advantage team will continue to manage the Liontrust Special Situations Fund.

Important information: Past performance is not a guide to future performance. The value of an investment and the income generated from it can fall as well as rise and is not guaranteed. You may get back less than you originally invested. The issue of units may be subject to an initial charge and this is likely to have an impact on the realisable value of your investment, particularly in the short term. You should always regard unit trust investment as long term.



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