

FINELY CRAFTED INVESTMENTS



Amati
Global Investors

TB Amati Investment Funds

Interim Report and Financial Statements (Unaudited)
31 July 2023

TB Amati UK Listed Smaller Companies Fund
TB Amati Strategic Metals Fund
TB Amati Strategic Innovation Fund

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Note: The Authorised Corporate Director's Report consists of 'Authorised Status' and 'Structure of the Company' on page 2, 'Authorised Status' and 'Investment Objective and Policy' on pages 4, 25 and 41, 'Investment Review' as provided by the Investment Manager, on pages 9 to 13, 29 to 33 and 45 to 49 and 'Directory' on page 58.

THE AUTHORISED CORPORATE DIRECTOR AND INVESTMENT MANAGER

The Authorised Corporate Director (the 'ACD') of TB Amati Investment Funds (the 'Company') is T. Bailey Fund Services Limited ('TBFS'). Amati Global Investors Limited is the Investment Manager (the 'Investment Manager') of the Company.

Amati Global Investors Limited and T. Bailey Fund Services Limited are authorised and regulated by the Financial Conduct Authority. Further information about Amati Global Investors Limited and the funds which it manages can be found at www.amatiglobal.com.

YOUR INVESTMENTS

You can buy or sell shares in the Company through your Financial Advisor. Alternatively, you can telephone the dealing line: 0115 988 8275, during normal office hours. Application forms can be requested in writing from the ACD or by calling the Client Services Team on the dealing line. They can also be downloaded from www.tbaileyfs.co.uk/funds/tb-amati-investment-funds.

The Company is eligible for ISA investments/transfers and the shares are available as part of a regular savers scheme.

The most recent price of shares in issue can be found at www.tbaileyfs.co.uk/funds/tb-amati-investment-funds, or by phone using the contact details set out in the prospectus.

OTHER INFORMATION

Full details of TB Amati Investment Funds are set out in the Prospectus. This document provides investors with extensive information about the Company, including risks and expenses. A copy of the Prospectus is available on request from the ACD or can be downloaded from www.tbaileyfs.co.uk/funds/tb-amati-investment-funds.

The Key Investor Information documents, Supplementary Information document and Value Assessments are also available from www.tbaileyfs.co.uk/funds/tb-amati-investment-funds.

AUTHORISED STATUS

TB Amati Investment Funds (the 'Company') is an investment company with variable capital incorporated in England and Wales under registered number IC000618 and authorised by the Financial Conduct Authority with effect from 26 March 2008. The Company has an unlimited duration.

STRUCTURE OF THE COMPANY

The Company is a UK UCITS and is structured as an umbrella company, in that different sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. On the introduction of any new sub-fund, or share class, a revised prospectus will be prepared and issued.

The Company is compliant with the Protected Cell Regime for OEICs. Under the Protected Cell Regime, each sub-fund represents a segregated portfolio of assets and, accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-fund and shall not be available for any such purpose.

As at the balance sheet date, there were three sub-funds in existence: TB Amati UK Listed Smaller Companies Fund, TB Amati Strategic Metals Fund and TB Amati Strategic Innovation Fund.

The base currency of the Company is Pound Sterling.

The assets of the sub-funds have been invested in accordance with the investment objectives and investment policy of the sub-funds. Investment of the assets must comply with the Financial Conduct Authority's Collective Investment Schemes Sourcebook.

Subject to the above, the liabilities, expenses, costs and charges of the Company will be allocated between classes in accordance with the terms of shares of those classes.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

The ACD is the sole director of the Company.

CROSS HOLDINGS BETWEEN SUB-FUNDS

As at the period-end there were no cross holdings between the three sub-funds.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

The Authorised Corporate Director (the "ACD") of TB Amati Investment Funds (the 'Company') is responsible for preparing the Annual Report and the Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the Financial Conduct Authority's Collective Investment Schemes' Sourcebook ("COLL") and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare financial statements for each annual accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards and applicable law"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association ("IA SORP") in May 2014 and amended in June 2017; and
- give a true and fair view of the financial position of the Company and its sub-fund as at the end of the period and the net revenue or expense and the net capital gains or losses on the property of the Company and its sub-fund for that period.

In preparing the financial statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards and the IA SORP have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable it to ensure that the financial statements comply with the applicable IA SORP and United Kingdom Accounting Standards and applicable law. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' STATEMENT

In accordance with COLL 4.5.8BR, the Report and the Financial Statements were approved by the board of directors of the ACD of the Company and authorised for issue on 28 September 2023.

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements as the assets of the Company and its sub-funds consist predominantly of readily realisable securities and accordingly the Company has adequate resources to continue in operational existence for at least the next twelve months from the approval of the financial statements.

Gavin Padbury
Senior Director- Head of T. Bailey Fund Services
T. Bailey Fund Services Limited
Nottingham, United Kingdom
28 September 2023

Mark Smith
Director of Fund Administration
T. Bailey Fund Services Limited
Nottingham, United Kingdom
28 September 2023

TB AMATI UK LISTED SMALLER COMPANIES FUND

TB AMATI UK LISTED SMALLER COMPANIES FUND, AUTHORISED STATUS

The Fund is a sub-fund of TB Amati Investment Funds with investment powers equivalent to those of a UK UCITS as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

INVESTMENT OBJECTIVE AND POLICY

The TB Amati UK Listed Smaller Companies Fund (the 'Fund') aims to provide capital growth over the long term (periods of 5 years or more).

At least 80% of the Fund will typically be invested in shares, equity-related securities or bonds in or issued by UK smaller companies. For these purposes, UK companies are companies incorporated or domiciled in the UK, or companies that are listed*, quoted or admitted in the UK. Smaller companies are companies which form the bottom 10% of the UK equity market by market capitalisation.

The Fund may also invest (up to 20%) in shares, equity-related securities or bonds in or issued by companies which are not UK smaller companies, money market instruments, cash or near cash. There may be occasions when the Investment Manager chooses to hold large degrees in these asset classes in order to protect returns in certain market conditions (e.g. severe market downturns). Up to 10% of the Fund may be invested in collective investment schemes (which may include those managed or operated by the ACD and its associates).

The Fund is actively managed, taking into account the Investment Manager's views on growth opportunities and prevailing market conditions. In selecting investments for the Fund, the Investment Manager will consider target companies' corporate governance, as well as broader environmental and social considerations, including human rights. While these factors alone do not ultimately determine the selection of investments made within the Fund, they do form an integral part of the process of identifying the risks and opportunities associated with such investments.

Derivatives may be used for Efficient Portfolio Management purposes to reduce risk or cost or to generate additional capital or income.

** "Listed" for the purposes of the Fund's Objective and Investment Policy means listed on the Main Market of the London Stock Exchange or quoted on the Alternative Investment Market or Aquis Stock Exchange.*

FUND BENCHMARKS

Shareholders may wish to compare the performance of the Fund against the Numis Smaller Companies (plus AIM, excluding Investment Companies) Index (the "Index"). The stocks comprising the Index are aligned with the Fund's objectives, and on that basis the Index is considered an appropriate performance comparator for the Fund. Please note the Fund is not constrained by or managed to the Index.

The Numis Smaller Companies (plus AIM, excluding Investment Companies) Index is a Comparator Benchmark of the Fund.

Shareholders may also wish to compare the Fund's performance against other funds within the Investment Association's (IA) UK Smaller Companies sector as that will give investors an indication of how the Fund is performing compared with others investing in a similar but not identical investment universe. As the sector aligns with the Fund's asset allocation, it is considered that this is an appropriate comparator.

The IA UK Smaller Companies sector is a Comparator Benchmark of the Fund.

TB AMATI UK LISTED SMALLER COMPANIES FUND, RISK PROFILE

Smaller companies' securities are often traded less frequently than those of larger companies, this means they may be more difficult to buy and sell. Their prices may also be subject to short term swings.

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

The movements of exchange rates may lead to further changes in the value of investments and the income from them.

There is a risk that any company providing services such as safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of one to seven. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category six because it invests in shares.

ONGOING CHARGES FIGURE

The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. The OCF, as calculated in accordance with ESMA guidelines, is disclosed as 'Operating charges (p.a.)' in the Comparative Table on page 20.

TB AMATI UK LISTED SMALLER COMPANIES FUND, INVESTMENT MANAGEMENT TEAM

The TB Amati UK Listed Smaller Companies Fund* has been managed by Dr Paul Jourdan since 2000, and co-managed with David Stevenson since 2012 and Scott McKenzie since 2021. Dr Gareth Blades has supported the management team as an Analyst since 2019. Anna Macdonald left the investment team at Amati Global Investors in April 2023.

The management team believe that smaller companies are a highly attractive asset class for long-term savers, on the proviso that investors appreciate that historically, relative to larger company funds, the significant additional performance has come with some additional volatility of returns. The management team seek to manage the additional risks involved in small company investing by taking a view on the business cycle and other macro-risks in structuring the portfolio. Individual company investments are chosen on the basis of proprietary company research. Amati Global Investors Limited is a specialist investment manager, investing primarily in small and mid-sized companies.

The Fund and management team's long-term performance record is award winning. In February 2020, the Fund was awarded a fund rating from Square Mile Research along with a Silver analyst rating from Morningstar, an Elite rating from FundCalibre and a rating from Rayner Spencer Mills and continues to maintain these ratings today. The Fund has a Gold Citywire Group Rating (only around 20-25% of groups in each sector are invited by Citywire to receive a rating). In December 2022, the team also won Best AIM VCT from Investment Week.

Should you wish to receive monthly fund factsheets and updates on events by email, please contact: info@amatiglobal.com

**Note: The TB Amati UK Listed Smaller Companies Fund (formerly TB Amati UK Smaller Companies Fund and CF Amati UK Smaller Companies Fund) was seeded by the transfer of the First State British Smaller Companies Fund to Capita Fund Managers on 29 July 2008.*

**Dr Paul Jourdan – CEO and Fund Manager**

Dr Paul Jourdan is an award-winning fund manager, with a strong track record in small cap investment. He co-founded Amati Global Investors Limited ('Amati') following the management buyout of Noble Fund Managers from Noble Group in January 2010, having joined Noble in 2007 as Head of Equities. His fund management career began in 1998 with Stewart Ivory, where he gained experience in UK market and global equities. In 2000 Stewart Ivory was taken over by First State and Paul became manager of what is now the TB Amati UK Listed Smaller Companies Fund. In early 2005 he launched

what became Amati VCT plc and he also commenced the management of Amati VCT 2 plc following the award of the investment management contract to Amati in 2010. In May 2018 Amati VCT plc merged with Amati VCT 2 plc which was then renamed Amati AIM VCT plc. In September 2014 Amati launched the Amati AIM IHT Portfolio Service, which Paul co-manages with David Stevenson and Scott McKenzie. Prior to 1998 Paul worked as a professional violinist, including a four year period with the City of Birmingham Symphony Orchestra. He is CEO of Amati Global Investors Ltd, and a founding trustee of Clean Trade, a charity registered in England and Wales.

**David Stevenson – Director and Fund Manager**

David joined Amati in 2012. In 2005, he was a co-founding partner of investment boutique Cartesian Capital, which managed a range of retail and institutional UK equity funds in long only and long/short strategies. Prior to that he was Assistant Director at SVM, where he also managed equity products including the small/midcap UK Opportunities Fund. David started his career at KPMG where he qualified as a Chartered Accountant. He latterly specialised in corporate finance, before moving into private equity with Dunedin Fund Managers. David has co-managed the TB Amati UK Listed

Smaller Companies Fund and the Amati AIM VCT since 2012, and the Amati AIM IHT Portfolio Service since 2014.

TB AMATI UK LISTED SMALLER COMPANIES FUND, BIOGRAPHIES (CONTINUED)



Scott McKenzie - Fund Manager

Scott joined Amati in April 2021 and has over 25 years' experience managing UK equity portfolios. His career began in Glasgow at Britannia IM in the early 90's before moving to London with Aviva Investors in 1999. He returned to Scotland in 2005, joining Martin Currie where he remained until 2009. After a period running his own private businesses, he joined Saracen Fund Managers in 2014 where he launched the TB Saracen UK Income Fund and also became manager of the TB Saracen UK Alpha Fund. He left Saracen in March 2021 having led both funds to top quartile rankings in their sectors.

Scott manages the TB Amati UK Listed Smaller Companies Fund, Amati AIM VCT and the Amati AIM IHT Portfolio Service.



Dr Gareth Blades - Analyst

Dr Gareth Blades joined Amati in 2019 as an Analyst supporting the fund management team. Prior to Amati, Gareth worked as an independent consultant supporting early stage life science companies in their operational and strategic decision making. In 2016 he worked for the College of Medicine and Veterinary Medicine at the University of Edinburgh building and spinning-out therapeutic, med-tech, diagnostic and e-health companies. In 2015, Gareth worked in healthcare corporate finance at PharmaVentures in Oxford. During his time at PharmaVentures he delivered expert

reports, business development, licensing and due diligence projects for international clients. Prior to this he worked for White Space Strategy in Oxford, a leading market analysis and strategy consultancy serving financial services, TMT, manufacturing, energy and public sector clients. Gareth has a DPhil in Systems Biology - Biochemistry from the University of Oxford, an MPhil in Micro and Nanotechnology Enterprise from the University of Cambridge and a first in Neuroscience from Cardiff University.

TB AMATI UK LISTED SMALLER COMPANIES FUND, INVESTMENT REVIEW

Performance

Cumulative returns for the periods ended 31 July 2023 (%)						
	6 months	1 year	3 years	5 years	10 years	From PJ take on**
A Accumulation Shares	(4.35)	(13.36)	(2.11)	(7.90)	133.04	558.47
B Accumulation Shares	(6.71)	(15.17)	(2.66)	(7.03)	144.10	663.95
Numis Smaller Companies (plus AIM, excluding Investment Companies)*	(4.21)	(4.61)	20.51	1.86	61.73	233.01
IA UK Smaller Companies Sector*	(5.66)	(8.43)	13.41	0.18	90.86	313.04

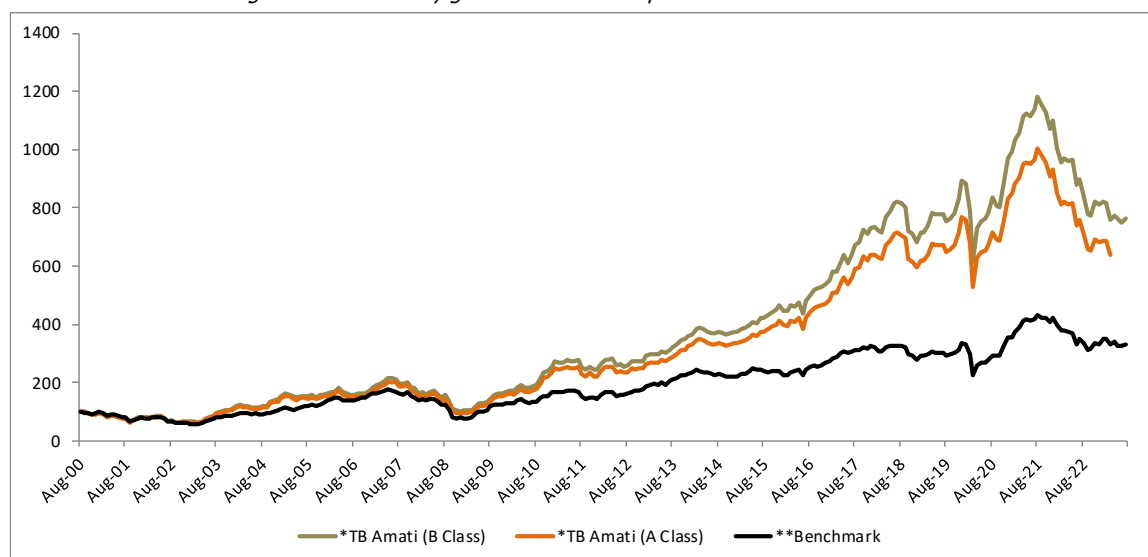
Source: Financial Express. Total return, bid to bid. Sterling terms.

*Comparator Benchmarks

**Performance since Dr Paul Jourdan (PJ) take on of the Fund on 31 August 2000. Performance prior to 29 July 2008 relates to First State British Smaller Companies Fund (see page 6).

The A Accumulation share class closed 5 May 2023.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.



Performance since Dr Paul Jourdan take-on of Fund on 31 August 2000. Performance prior to 29 July 2008 relates to First State British Smaller Companies Fund (see page 6). * TB Amati (B Class & A Class) Fund Total Return ** Comparator Benchmark Index: Numis Smaller Companies (plus AIM, excluding Investment Companies) Total Return. Source: Amati Global Investors Ltd as at 31 July 2023.

The A Accumulation share class closed 5 May 2023.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

Market Review

Russia's ongoing invasion of Ukraine continues to weigh on investor sentiment, with additional concerns about the potential for China to become more bellicose and for Russia to continue to provoke political mayhem in its spheres of influence abroad. For investors the six month period was dominated by the global fight against inflation with the Federal Reserve, the European Central Bank and the Bank of England all simultaneously continuing to increase interest rates rapidly from historically low levels. This 'normalisation' of policy created a number of disruptions along the way. There was a notable bump in the road in the US banking system with the collapse of SVB Bank in March, closely followed by First Republic Bank and Signature Bank. Of even greater importance was the subsequent unravelling of Credit Suisse. However, the contagion effects of these failures have been limited, with UBS riding to the rescue of Credit Suisse and the US banks being bailed out by larger, better capitalised institutions.

In this tightening environment government bond yields have continued to rise globally, most notably in the US and the UK, where interest rate rises have been most pronounced. The outlook for global growth has deteriorated somewhat but most major economies are bumping along the bottom and recession has largely been avoided so far. The most notable change has been a marked deterioration in Chinese growth prospects, and this has led to falls in commodities such as copper and iron ore. Other key commodities such as gold and oil have been broadly flat in the period.

In recent months there has been some evidence that inflation is now being brought under control, with the June G20 inflation rate having fallen to 4.6%. The economic picture in the UK remains more troubled and we continue to lag behind other leading economies in the battle against inflation. However, the trend is finally heading in the right direction, with key indicators such as the Price Producer Index, food, construction materials and money supply all beginning to head firmly downwards. Indeed, many commentators now believe that Prime Minister Sunak will achieve his wish of sub-5% inflation before the end of 2023. Investor anxiety over rising interest rates has also begun to reduce somewhat, with rate expectations now beginning to roll over. Gilt yields have risen back to levels that we saw during the mini Budget crisis of last September. While rising yields have supported a steady recovery in sterling against both the Euro and the US Dollar, this time around fiscal credibility has been maintained albeit government finance is under pressure.

Global markets have recovered their poise in 2023, focused on strong rallies in the handful of the world's largest tech companies listed in the US. By contrast, the UK equity market remained in the doldrums with the FTSE All Share index returning a paltry 0.6% over the period. AIM continues to lag significantly, falling by -11% over the six months, reflecting ongoing risk-aversion and tougher trading conditions slowing down the growth of the more mature companies. Liquidity at the lower end of the UK market remains somewhat problematic and market sentiment towards UK equities is fragile. There were ongoing outflows from open-ended UK equity funds, continuing the weak trend of recent years, and there are considerable challenges in re-establishing the UK market as an attractive place for companies to list and raise capital. However, we do detect a greater commitment from the Chancellor, the FCA and others to address these increasingly urgent problems.

Performance Review

The share price (B Accumulation) of the Fund fell by -6.71% during the period, compared to falls in the Numis Smaller Companies (plus AIM excluding Investment Companies) index of -4.21% and the IA UK Smaller Companies Sector of -5.66%.

The Fund continues to suffer from the ongoing malaise we are seeing in the UK smaller company asset class, particularly AIM, with poor liquidity amongst smallcaps offsetting some very attractive levels of valuation which have now emerged.

This de-rating of smaller companies is now beginning to manifest itself in increased takeover activity and the Fund benefitted from two bids during the period. Virtual Private Network (VPN) provider **Kape Technologies** was acquired by its majority owner, but the price was somewhat disappointing. A more material uplift came from alternative asset manager **Gresham House**, where the shares rose 63% on an agreed bid from private equity. This was a meaningful position which had been added to ahead of the bid.

The boom in interest regarding artificial intelligence benefitted our holding in chip designer **Alphawave IP**, which rose by 70% during the period. **Bytes Technology (Bytes)** also saw an indirect boost by virtue of its strong relationship with Microsoft and gained 33%. Bytes also delivered good earnings upgrades in a market where these were few and far between, as did oil and renewables services provider **Ashtead Technology**, where the shares rose by 25%. The recent purchase of online gifting business **Moonpig** got off to a positive start with the shares rising by 47% from a very low valuation. It was also pleasing to see some early recovery in some more cyclical holdings which had suffered badly in late 2022. Housebuilder **Vistry** continues to produce results ahead of its peers as does **Mortgage Advice Bureau**, a leading UK mortgage broker. Buildings components group **Tyman** also fared relatively well in a challenging US housing market. All three businesses have coped well with very weak conditions in their core markets. We took part in a fundraising for battery storage business **Invinity Energy** and the shares rallied strongly as a result of the raise.

It was a punishing environment for those who disappointed, and the Fund was impacted by some profit warnings during the six month period. Most material was an unexpected increase in provisions for part of the buy-to-let mortgage book at **OSB Group** which is one of the Fund's largest holdings. The shares fell by -33% despite a far less material earnings adjustment. Two businesses were damaged by funding issues. Shares in oil explorer **Jadestone Energy** fell sharply in response to ongoing production problems with its Australian assets which prompted a refinancing. Video games producer **tinyBuild** also fell materially as its cashflow was impacted by a slower, post-lockdown consumer market. There were further disappointments from **Watkin Jones** and **CMC Markets** which saw their shares fall despite superficially low valuations. A further category of weak contributors was in businesses which enjoyed high ratings in better times but have now been de-rated as growth expectations have moderated. This group included **Learning Technologies**, **Liontrust Asset Management**, **Future** and **Spirent Communications**. Whilst all of these companies traded at material valuation discounts to their long run averages, markets have been in no mood to look beyond current slower trading, and all fell substantially in value during the period. Unfortunately, bad news has rarely been in the price in recent times.

Portfolio Activity

It was a busy six month period with nine new investments made and seven businesses leaving the portfolio. The key theme in terms of new holdings was the opportunity to take advantage of the significant valuation declines we have seen amongst many high quality, growth businesses. Notable examples included the security tagging business **Big Technologies**, which is developing a global market leading product offering major savings and efficiencies to the justice sector. Investment platform **AJ Bell** was another addition, being a business we have admired for some time but one where until recently the valuation was very high. The company continues to have strong growth prospects and now offers notable long term value. In a similar sector we took a new investment in wealth manager **Brooks MacDonald Group** after a significant de-rating of its shares. This was despite ongoing consolidation within this sector at much higher prices. We also added **CVS Group**, which is one of the leading UK veterinary practices, with scope to revitalise its existing portfolio whilst also looking at longer term expansion overseas. **YouGov** is a fast-growing provider of polling and data services, and the recent purchase of the GfK European business could be a game changer in terms of their global ambitions. We believe its product offering has been significantly boosted as a result. Towards the end of the period, we invested in **Keywords Systems**. This is a business well known to us through a long term position in our Amati AIM VCT, and with the shares having suffered badly from negative sentiment surrounding the video gaming sector we now see great opportunity for them to recover as the company continues to deliver solid growth.

Whilst overall deal activity remains very muted, we did take part in some equity fundraisings which introduced other new names to the Fund. In July we participated in the IPO of **CAB Payments (CAB)** which is a specialist digital payments platform specialising in emerging markets. We believe CAB have a unique position in what should be a high growth market. **Franchise Brands** also raised equity to fund the purchase of the Pirtek industrial franchise business. This deal makes the group far larger and should enable the company to find a broader investor audience. We also took part in a fund raise for specialist cabling group **Voilex** to fund an acquisition in Turkey. The business has established a strong track record in recent years and has become a global leader in its specific electronic niches. We also added to a number of existing holdings during the period,

TB AMATI UK LISTED SMALLER COMPANIES FUND, INVESTMENT REVIEW (CONTINUED)

including **FRP Advisory**, **Great Portland Estates**, **MJ Gleeson**, **Victorian Plumbing** and **Gresham House**. In addition, we took part in fundraisings for two of our earlier-stage businesses, **Creo Medical** and **Invinity Energy**.

In terms of sales, we exited two cyber security businesses **NCC Group** and **GB Group**, both of which had begun to disappoint and had failed to meet their own guidance to investors. Whilst these were difficult decisions at the time, the shares in both companies subsequently fell much further. In a similar vein furniture retailer **DFS** was sold prior to weak trading news. The holding in wealth manager **Rathbones Group** was switched into Brooks MacDonald Group. Other sales included **Kape Technologies** (post the takeover bid), **Touchstone Exploration** and **Auction Technology Group**.

The asset allocations as at the period end date are shown in the table below:

Sector	Asset allocation as at 31 July 2023 (%)	Asset allocation as at 31 January 2023 (%)
Aerospace & Defence	3.3	3.2
Alternative Energy	2.5	1.6
Banks	3.0	4.2
Chemicals	0.4	0.6
Consumer Services	1.0	-
Electronic & Electrical Equipment	4.4	2.8
Financial Services	13.8	12.8
General Retailers	3.5	2.8
Health Care Equipment & Services	0.9	0.1
Household Goods & Home Construction	10.2	9.1
Leisure Goods	1.4	0.3
Media	3.3	3.2
Mining	2.2	2.5
Mobile Telecommunications	4.6	3.8
Non-Life Insurance	0.4	0.6
Oil & Gas Producers	4.4	5.4
Personal goods	1.2	0.9
Pharmaceuticals & Biotechnology	3.7	5.3
Real Estate Investment & Services	5.7	5.2
Software & Computer Services	15.1	18.7
Support Services	4.7	4.4
Technology Hardware & Equipment	4.4	4.6
Travel & Leisure	0.2	0.6
Cash and Other	5.7	7.3
Total	100.0	100.0

The full list of holdings as at the period end is shown in the Portfolio Statement on pages 14 to 19.

Outlook

Post the period end, the UK market has continued to drift downwards but there is growing hope that a soft economic landing is possible, and predictions of severe global recession have somewhat diminished in recent months. We continue to see increases in interest rates, with the Federal reserve, the European Central Bank and the Bank of England all still in tightening mode, but the current picture in the UK is one of moderating inflationary pressures, broadly robust employment levels and better than anticipated GDP growth. The panic over further interest rate rises that we saw in mid-2023 has also lessened somewhat, with both gilt yields and rate expectations now beginning to roll over.

We believe that the biggest challenge for UK small and midcap investors is not one of valuation but one of liquidity. With almost all yardsticks pointing to the relative undervaluation of smaller companies within the UK market, and the UK's cheapness in a global context, there are increasing demands for policy measures to improve the attractiveness and liquidity of a UK listing. In the meantime, we will continue to focus on investing in growing businesses with conservative balance sheets, sustainable margins and strong cash generation, and there are currently plenty such companies available at highly attractive prices. If investors don't take the opportunities now available within the UK market, then we would expect the recent uptick in corporate and private equity activity to become an even bigger, ongoing theme.

Paul Jourdan
CEO and Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

David Stevenson
Director and Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

Scott McKenzie
Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

TB AMATI UK LISTED SMALLER COMPANIES FUND, PORTFOLIO STATEMENT

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Aerospace & Defence (3.3%; 31.01.23 - 3.2%)		
5,772,931 QinetiQ	18,600,384	3.3
	18,600,384	3.3
Alternative Energy (2.5%; 31.01.23 - 1.6%)		
843,173 Energean	9,763,943	1.7
3,400,000 Invinity Energy L/T Warrant	3,400	0.0
3,400,000 Invinity Energy S/T Warrant	3,400	0.0
9,553,823 Invinity Energy	4,490,297	0.8
	14,261,040	2.5
Banks (3.0%; 31.01.23 - 4.2%)		
4,584,262 OSB Group	16,833,410	3.0
	16,833,410	3.0
Chemicals (0.4%; 31.01.23 - 0.6%)		
12,104,500 HeiQ	2,348,273	0.4
	2,348,273	0.4
Consumer Services (1.0%; 31.01.23 - 0.0%)		
284,296 CVS Group	5,862,184	1.0
	5,862,184	1.0
Electronic & Electrical Equipment (4.4%; 31.01.23 - 2.8%)		
1,324,757 DiscoverIE	10,611,304	1.9
2,507,832 Volex Group	7,247,634	1.3
319,076 XP Power	6,493,197	1.2
	24,352,135	4.4

TB AMATI UK LISTED SMALLER COMPANIES FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Financial Services (13.8%; 31.01.23 - 12.8%)		
2,616,228 AJ Bell	8,575,995	1.5
562,329 Brooks Macdonald Goup	11,527,745	2.0
2,750,000 CAB Payments	7,865,000	1.4
3,345,152 CMC Markets	4,676,522	0.8
6,621,659 Ecora Resources	7,548,691	1.3
933,500 Gresham House	9,848,425	1.7
665,334 Liontrust Asset Management	4,298,058	0.8
565,963 Mortgage Advice Bureau	3,531,609	0.6
3,206,557 Polar Capital	15,551,801	2.8
10,657,873 Trident Royalties	4,796,043	0.9
	78,219,889	13.8
General Retailers (3.5%; 31.01.23 - 2.8%)		
5,243,700 Halfords	11,599,064	2.1
4,500,000 Moonpig	8,077,500	1.4
	19,676,564	3.5
Health Care Equipment & Services (0.9%; 31.01.23 - 0.1%)		
16,163,982 Creo Medical	5,172,474	0.9
	5,172,474	0.9

TB AMATI UK LISTED SMALLER COMPANIES FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Household Goods & Home Construction (10.2%; 31.01.23 - 9.1%)		
12,567,000 Brickability	6,911,850	1.2
2,269,140 MJ Gleeson	9,507,697	1.7
3,143,000 Tyman	9,821,875	1.7
8,313,000 Victorian Plumbing	6,401,010	1.1
1,741,237 Vistry	13,747,066	2.4
7,613,000 Watkin Jones	3,654,240	0.7
5,765,312 Wickes	7,869,651	1.4
	57,913,389	10.2
Leisure Goods (1.4%; 31.01.23 - 0.3%)		
1,911,289 Gear4music	1,873,063	0.3
343,000 Keywords Studios	6,043,660	1.1
	7,916,723	1.4
Media (3.3%; 31.01.23 - 3.2%)		
2,961,126 Dianomi	1,332,507	0.2
588,346 Future	4,933,281	0.9
7,914,700 The Pebble Group	7,202,377	1.3
544,411 YouGov	5,280,787	0.9
	18,748,952	3.3
Mining (2.2%; 31.01.23 - 2.5%)		
7,252,710 Amaroq Minerals	3,191,192	0.6
2,040,412 Atalaya Mining	6,733,360	1.2
2,944,526 Hochschild Mining	2,273,174	0.4
	12,197,726	2.2

TB AMATI UK LISTED SMALLER COMPANIES FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Mobile Telecommunications (4.6%; 31.01.23 - 3.8%)		
5,299,289 Alphawave IP	8,542,454	1.5
1,603,850 Gamma Communications	17,738,581	3.1
	26,281,035	4.6
Non-Life Insurance (0.4%; 31.01.23 - 0.6%)		
5,012,252 Randall & Quilter Investment	2,310,648	0.4
	2,310,648	0.4
Oil & Gas Producers (4.4%; 31.01.23 - 5.4%)		
12,387,150 Diversified Energy	11,743,018	2.1
18,376,668 I3 Energy	2,499,227	0.4
8,586,686 Jadestone Energy	1,932,004	0.3
11,284,515 PetroTal	4,852,341	0.9
1,645,239 Serica Energy	3,935,412	0.7
	24,962,002	4.4
Personal Goods (1.2%; 31.01.23 - 0.9%)		
5,679,142 Inspeks	6,928,553	1.2
	6,928,553	1.2
Pharmaceuticals & Biotechnology (3.7%; 31.01.23 - 5.3%)		
1,022,847 Amyrt Pharma Rights 31/12/2049*	-	0.0
1,114,609 Ergomed	12,104,654	2.2
491,703 Indivior	8,614,636	1.5
	20,719,290	3.7

TB AMATI UK LISTED SMALLER COMPANIES FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

		Bid market value £	Percentage of total net assets %
Real Estate Investment & Services			
(5.7%; 31.01.23 - 5.2%)			
8,990,406	CLS	12,568,588	2.2
4,175,806	Grainger	10,497,976	1.8
2,191,524	Great Portland Estates	9,362,191	1.7
		32,428,755	5.7
Software & Computer Services			
(15.1%; 31.01.23 - 18.7%)			
1,814,069	Accesso Technology	13,659,939	2.4
8,000,000	AdvancedAdvT	6,400,000	1.1
3,169,666	Big Technologies	8,336,222	1.5
2,001,146	Bytes Technology	10,325,913	1.8
724,183	Craneware	9,848,889	1.8
4,002,000	essensys	1,280,640	0.2
5,789,500	Gresham Technologies	7,815,825	1.4
450,000	Kainos	5,895,000	1.0
60,037	Kooth	206,527	0.1
5,473,112	Learning Technologies	4,104,834	0.7
753,518	Tracsis	6,404,903	1.1
7,303,952	TT Electronics	11,481,813	2.0
		85,760,505	15.1
Support Services			
(4.7%; 31.01.23 - 4.4%)			
7,834,950	Begbies Traynor	10,185,435	1.8
8,479,964	FRP Advisory	10,006,358	1.8
4,955,555	Franchise Brands	6,442,222	1.1
		26,634,015	4.7

TB AMATI UK LISTED SMALLER COMPANIES FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

		Bid market value £	Percentage of total net assets %
Technology Hardware & Equipment (4.4%; 31.01.23 - 4.6%)			
3,196,734	Ashtead Technology	12,499,230	2.2
5,615,942	Saietta	2,414,855	0.4
5,885,073	Spirent Communications	9,951,658	1.8
		24,865,743	4.4
Travel & Leisure (0.2%; 31.01.23 - 0.6%)			
9,313,936	tinyBuild	1,210,812	0.2
		1,210,812	0.2
	Portfolio of investments	534,204,501	94.3
	Net other assets	32,431,252	5.7
	Total net assets	566,635,753	100.0

**Unquoted assets. All other holdings are quoted on recognised stock exchanges.*

TB AMATI UK LISTED SMALLER COMPANIES FUND, COMPARATIVE TABLE

B Accumulation Shares	1 Feb 2023 to 31 Jul 2023 (Pence per Share)	1 Feb 2022 to 31 Jan 2023 (Pence per Share)	1 Feb 2021 to 31 Jan 2022 (Pence per Share)
Change in net assets per share			
Opening net asset value per share	1,211.56	1,472.57	1,468.23
Return before operating charges*	(84.34)	(249.74)	18.16
Operating charges	(5.12)	(11.27)	(13.82)
Return after operating charges*	(89.46)	(261.01)	4.34
Distributions	(16.98)	(21.54)	(12.50)
Retained distributions on accumulation shares	16.98	21.54	12.50
Closing net asset value per share	1,122.10	1,211.56	1,472.57
* after direct transaction costs of:	0.55	1.96	4.06
Performance			
Return after charges	(7.38)%	(17.72)%	0.30%
Other information			
Closing net asset value	£566,635,753	£663,473,604	£894,875,035
Closing number of shares	50,497,956	54,761,775	60,769,656
Operating charges (p.a.)	0.89%	0.86%	0.84%
Direct transaction costs (p.a)	0.10%	0.15%	0.25%
Prices			
Highest published share price	1,244.73	1,503.54	1,769.15
Lowest published share price	1,084.66	1,116.94	1481.12

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

TB AMATI UK LISTED SMALLER COMPANIES FUND, STATEMENT OF TOTAL RETURN

For the six-month period ended 31 July 2023

		31.07.23	31.07.22
	£	£	£
Income			
Net capital losses		(57,198,631)	(94,592,161)
Revenue	11,812,178		10,709,104
Expenses	(2,700,443)		(3,602,104)
Interest payable and similar charges	(314)		(6)
Net revenue before taxation	9,111,421		7,106,994
Taxation	(151,146)		-
Net revenue after taxation		8,960,275	7,106,994
Total loss before distributions		(48,238,356)	(87,485,167)
Distributions		(8,960,275)	(7,106,994)
Change in net assets attributable to shareholders from investment activities		(57,198,631)	(94,592,161)

*Note: All of the Company's and sub-fund's results are derived from continuing operations.***STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**

For the six-month period ended 31 July 2023

		31.07.23	31.07.22
	£	£	£
Opening net assets attributable to shareholders		664,359,068	896,539,150
<i>Movements due to sales and repurchases of shares:</i>			
Amounts receivable on issue of shares	53,384,459		91,151,070
Amounts payable on cancellation of shares	(102,481,327)		(143,653,055)
		(49,096,868)	(52,501,985)
Change in net assets attributable to shareholders from investment activities		(57,198,631)	(94,592,161)
Retained distributions on accumulation shares		8,572,184	6,868,476
Closing net assets attributable to shareholders		566,635,753	756,313,480

TB AMATI UK LISTED SMALLER COMPANIES FUND, BALANCE SHEETAs at 31 July 2023

	31.07.23	31.01.23
	£	£
Assets:		
Fixed Assets:		
Investments	534,204,501	615,816,889
Current Assets:		
Debtors	5,647,910	10,413,970
Cash and bank balances	30,855,164	52,214,376
Total assets	570,707,575	678,445,235
Liabilities:		
Creditors:		
Other creditors	4,071,822	14,086,167
Total liabilities	4,071,822	14,086,167
Net assets attributable to shareholders	566,635,753	664,359,068

TB AMATI UK LISTED SMALLER COMPANIES FUND, NOTES TO THE FINANCIAL STATEMENTS

As at 31 July 2023

Accounting policies

The financial statements have been prepared on the basis of the accounting policies set out in the Annual Report and Financial Statements for the year ended 31 January 2023.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

As described in the Statement of Authorised Corporate Director's Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

TB AMATI UK LISTED SMALLER COMPANIES FUND, DISTRIBUTION TABLE

For the six-month period ended 31 July 2023

Interim Distribution (31 July 2023)

Group 1 - Shares purchased on or prior to 31 January 2023

Group 2 - Shares purchased after 31 January 2023

Shares	Revenue (pence)	Equalisation ¹ (pence)	Accumulated 30.09.23 (pence)	Accumulated 30.09.22 (pence)
A Accumulation*				
Group 1	-	-	N/A	5.8041
Group 2	-	-	N/A	5.8041
B Accumulation				
Group 1	16.9753	-	16.9753	12.0406
Group 2	9.3779	7.5974	16.9753	12.0406

¹ Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

*A Accumulation share class closed 5 May 2023.

TB AMATI STRATEGIC METALS FUND

TB AMATI STRATEGIC METALS FUND, AUTHORISED STATUS

The Fund is a sub-fund of TB Amati Investment Funds with investment powers equivalent to those of a UK UCITS as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

INVESTMENT OBJECTIVE AND POLICY

The TB Amati Strategic Metals Fund (the 'Fund') aims to provide capital growth over the long term (periods of 5 years or more).

At least 80% of the Fund will be invested in equities issued by mining companies listed in developed markets worldwide, such as Australia, Canada, Europe, the United Kingdom and the USA, whose revenue or profits mainly come from the exploration, extraction or processing of precious metals (such as gold and silver), base metals (such as copper, lead, nickel and zinc), or speciality metals (such as neodymium, vanadium, cobalt and lithium), or of non-metal materials or elements with associated technical and industrial uses (such as lithium carbonate, zircon, graphite and graphene). The Investment Manager considers such metals, materials and elements to be strategic in character, for example due to their use in new energy technologies or potential scarcity.

From time to time, the Fund may also hold equity-like instruments (such as American depositary receipts, warrants (no more than 5%) and contingent value rights) as well as convertible loan notes and investment grade bonds issued by such companies.

The portfolio's indirect exposure to such metals, materials and elements will be managed strategically in order to take advantage of fluctuations in their respective values throughout the commodities cycle and to take account of a broad range of factors such as interest rate expectations, geopolitical developments, demand/supply dynamics, technological innovation and the rate of global decarbonisation.

The portfolio will focus on companies with a market capitalisation of between £50 million and £5 billion, but is not restricted to such companies and may also invest in smaller or larger companies. The Fund is actively managed, and in selecting investments for the Fund, the Investment Manager will take into account target companies' corporate governance, as well as broader social themes such as political freedom, democracy and civil liberties of the countries in which the companies operate.

To the extent not fully invested in such companies, up to 20% of the portfolio may be invested in other transferable securities, cash, near cash and money market instruments. Up to 10% of the portfolio may be invested in collective investment schemes (which may include funds giving exposure to underlying commodity prices or collective investment schemes managed by the ACD and its associates).

The portfolio will typically hold between 30 and 50 stocks at any given time.

The Fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management"). It is intended that the use of derivatives will be limited.

FUND BENCHMARK

Shareholders may wish to compare the performance of the Fund against the MSCI World Metals and Mining Index (GBP) (the "Index"). The Index measures the returns of companies in the metal and mineral extraction industries, and on that basis the Index is considered an appropriate performance comparator for the Fund. Please note the Fund is not constrained by or managed to the Index.

The MSCI World Metals and Mining Index (GBP) is a Comparator Benchmark of the Fund.

TB AMATI STRATEGIC METALS FUND, RISK PROFILE

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

The movements of exchange rates may lead to further changes in the value of investments and the income from them.

There is a risk that any company providing services such as safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of one to seven. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk-free investment.

The Fund is in risk category six because it invests in shares.

As the Fund launched on 1 March 2021, the indicator has been calculated based in part on the volatility of the Investment Association Commodities and Natural Resources Sector (GBP) average over the last five years (in total return and GBP terms).

ONGOING CHARGES FIGURE

The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. The OCF, as calculated in accordance with ESMA guidelines, is disclosed as 'Operating charges (p.a.)' in the Comparative table on page 36.

FUND CHANGES

The comparator benchmark for the Fund changed from EMIX Global Mining Index (GBP) to the MSCI World Metals and Mining Index (GBP) effective from 1 August 2023.

INVESTMENT MANAGEMENT TEAM

The TB Amati Strategic Metals Fund has been managed by Georges Lequime and Mark Smith since its launch in March 2021. The Fund provides an opportunity for investors to gain exposure to “strategic” metals, which are those associated with the global energy transition from fossil fuels to cleaner, more sustainable and less carbon-intensive energy sources. The aim of the managers is to provide actively managed exposure ‘through the cycle’, with a view to positioning the portfolio to reflect the optimal combination of precious, base and specialty metals at any given time, against the backdrop of the unfolding energy transition and in response to other long-term structural growth themes – taking into account macroeconomic and political risks, commodity price movements, as well as the specific circumstances of individual companies. Environmental, Social and Governance (“ESG”) considerations, including human rights, are also integral to the investment process.

The management team of Georges Lequime and Mark Smith possess a rare combination of technical and geological knowledge, operational experience, as well as financial modelling and fund management. Their combined experience of investing in international mining companies spans more than four decades, during which time they have built a vast network of mining company executives, brokers, commodities traders, mining engineers and geologists, and from which has brought many successful investment opportunities. Georges’ investment track record includes the management of the Old Mutual Gold Fund, which he managed for four years and is the largest gold fund in South Africa. He also managed the award-winning Earth Gold Fund UI from 2008 until 2022, where he was joined by Mark as a mining analyst between 2010 and 2021.

In February 2022, the Fund was awarded a new rating by FundCalibre. The ‘Elite Radar’ rating is given to those funds that do not have a minimum three year track record for the Elite Rating but are on the research team’s watch list and are potential candidates for a full Elite Rating in the future. In March 2023 Amati Global Investors was awarded a Silver Citywire Group Rating for performance in the Equity - Gold & Precious Metals sector (only around 20-25% of groups in each sector are invited by Citywire to receive a rating). In July 2023 the Fund was awarded a Morningstar Silver Medallist Rating. The Medallist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time.

Should you wish to receive monthly fund factsheets and updates on events by email, please contact: info@amatiglobal.com.

**Georges Lequime - Fund Manager**

Georges Lequime joined Amati in March 2021 as a Fund Manager for the TB Amati Strategic Metals Fund. Georges was formerly a partner at the Earth Resource Investment Group and fund adviser of the award-winning Earth Gold Fund UI, a pure precious metals fund offering exposure to precious metals stocks and the underlying metals. Prior to this he headed up equity research at RBC Capital Markets in London for five years, having moved there from New York where he managed the North American region for HSBC Global mining. Georges is a mining engineer by qualification, and after gaining practical experience in the gold and coal mining industries with Anglo American, he went on to manage the largest gold fund in South Africa, the Old Mutual Gold Fund for four years. Georges holds a BSc in Mining Engineering from the University of the Witwatersrand in Johannesburg, South Africa and studied economics at UNISA (University of South Africa), he also holds the Mine Manager's certificate in both open pit and underground mining.

**Mark Smith - Fund Manager**

Mark Smith joined Amati in March 2021 as a Fund Manager for the TB Amati Strategic Metals Fund. Mark was formerly a partner at the Earth Resource Investment Group and a mining analyst on the award-winning Earth Gold Fund UI, a pure precious metals fund offering exposure to precious metals stocks and the underlying metals. Previously he has worked as a resource equity analyst at RBC Capital Markets and with the African mining research team at Renaissance Capital. A geologist by qualification, he worked for four years in gold exploration prior to completion of his Masters in mineral project appraisal from the Royal School of Mines, University of London. Mark also holds a BSc. (Hons) 1st Class from the University of Bristol. His experience has enabled him to develop a substantial network in Africa, Europe, and North America.

TB AMATI STRATEGIC METALS FUND, INVESTMENT REVIEW

Performance

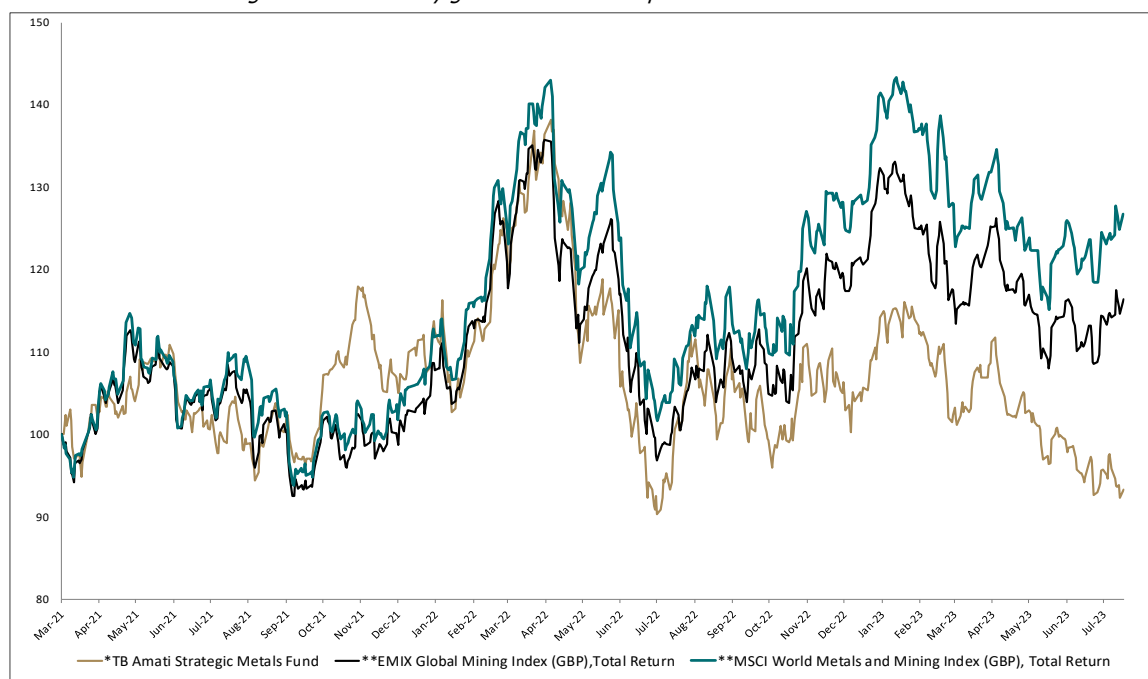
Cumulative returns for the periods ended 31 July 2023 (%)				
	6 months	1 year	2 years	From Launch*
B Accumulation Shares	(16.52)	(7.25)	(9.77)	(6.73)
MSCI World Metals and Mining Index (GBP)**	(10.68)	16.12	16.37	26.71
EMIX Global Mining	(11.06)	12.55	8.68	16.37

Source: Financial Express. Total Return. Bid to Bid.

* 15 March 2021. ** Comparator Benchmark.

The comparator benchmark for the Fund changed from EMIX Global Mining Index (GBP) to the MSCI World Metals and Mining Index (GBP) effective from 1 August 2023, being the date when the EMIX Global Mining Index was discontinued.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the income derived from them is not guaranteed and may go down as well as up.



* TB Amati Strategic Metals Fund Total Return

** Comparator Benchmark Indices: EMIX Global Mining Index (GBP), Total Return and MSCI World Metals and Mining Index (GBP), Total Return.

Source: Amati Global Investors Ltd as at 31 July 2023.

The comparator benchmark for the Fund changed from the EMIX Global Index (GBP) to the MSCI World Metal and Mining Index (GBP) effective from 1 August 2023, being the date when the EMIX Global Mining Index was discontinued.

Past performance is not a reliable indicator of future performance. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

Market Review

Critical metals

The world moved towards a Goldilocks economy during 2023, with inflation falling back and US economic growth holding up better than expected. Continuous rate hikes in the US have supported the dollar and delayed the much-anticipated peak in the interest rate cycle, which negatively affected sentiment towards precious metals during the reporting period. A slowdown in economic activity in China weighed heavily on base metal and critical metal prices in 2023, except copper, which held up reasonably well as traders have been loath to reduce their long positions given the attractive medium to longer term view on the metal. Uranium has proved to be the star performer so far in 2023 due to the concerted effort by the West to wean itself off Russian supply amidst a growing role for nuclear energy in the world's energy mix going forward.

Despite China's slowing economy, battery metal demand continues to climb at a higher-than-expected rate through renewable energy installations and Electric Vehicle (EV) sales. Global EV sales in 2023 are annualising at 14m units, which is up 33% year-on-year.

After a sharp rally in 2021 and 2022, lithium prices fell sharply from mid-November 2022 until late April 2023 to a level where conversion margins in China turned negative and Chinese extraction of lithium from lepidolite ceased to make economic sense. Prices rebounded in May and June but fell back again in July as concerns about China's slowing economy intensified (see Figure 1 below).

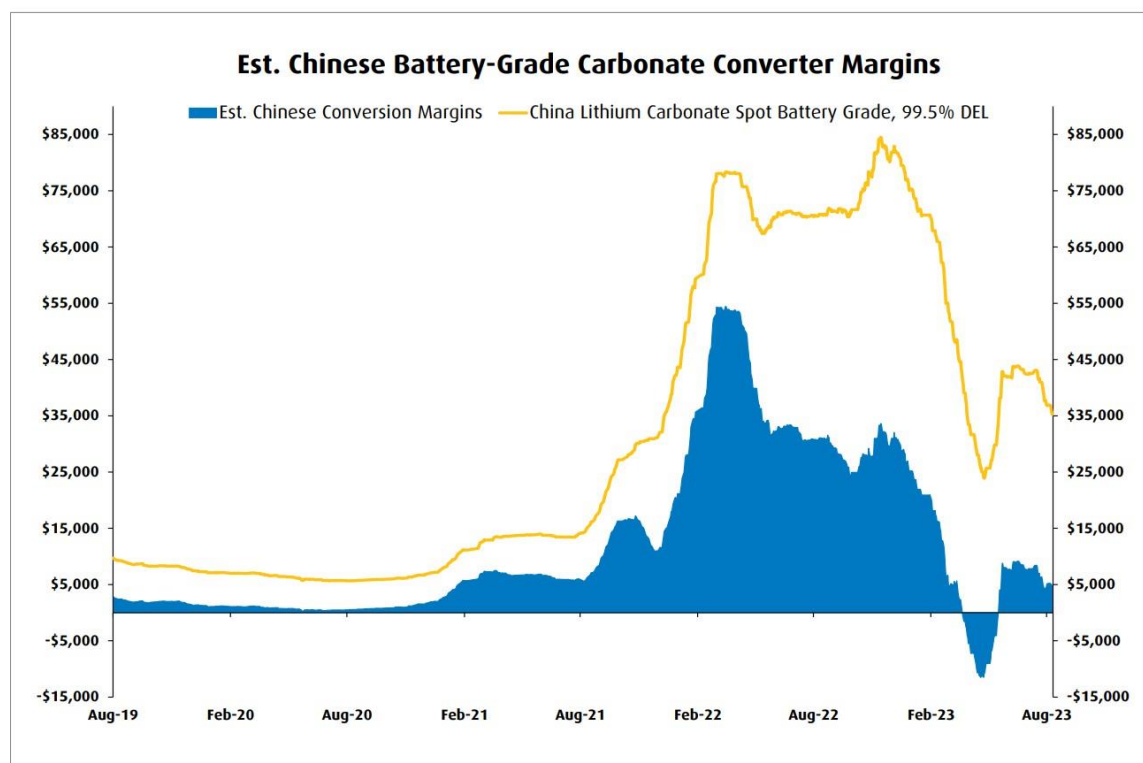


Figure 1

Source: BMO Capital Markets

TB AMATI STRATEGIC METALS FUND, INVESTMENT REVIEW (CONTINUED)

Uranium is one of a handful of commodities that have performed strongly in 2023 on the back of a tightening supply-demand situation. The energy crisis, exacerbated by the conflict in the Ukraine, has boosted uranium's role in the global energy mix outlook. Public opinion towards nuclear energy is changing with the Director for the Loans Programme Office at the US Department of Energy, Jigar Shah, including nuclear power as a source of clean energy in 2023 and the Japanese population moving in favour of restarting nuclear plants in the country for the first time post - Fukushima. This comes at a time when the supply-demand equation is very tight. There has been a chronic lack of investment in uranium mines since Fukushima with the reliance of the sale of Japanese stockpiled uranium to keep the market in balance. It is thought that commercial uranium inventories in Japan are now 50% worked down and stand at approximately 250 mm lbs, covering reactor demand by less than 18 months. The conflict in Ukraine has also intensified jurisdiction risk, especially sourcing Kazakhstan uranium through the Port of St Petersburg. This risk was exacerbated by the recent military takeover in Niger. Although 3.7 years' worth of reactor requirements is held in inventory, this compares to 4.7 years of consumption in 2018. As utilities look to manage portfolio risk, we believe contracting discussions are likely now increasingly focused on diversification of supply and "safer" jurisdictions.

Precious metals

The sharp increase in interest rates since early 2022 has dampened investor interest in gold and silver, which has had a profound knock-on effect on gold and silver equities. There's still obvious uncertainty around when the US Federal Reserve will end the bank's tightening cycle, which would be an important positive for non-interest-bearing gold (see Figure 2 below). Global central banks continue to grapple with stubborn inflation, and the US labour market has remained surprisingly resilient in the face of aggressive monetary tightening. While there are some signs that investors are bracing for rates to stay higher for longer, the swaps market is pricing in no more rate hikes, and a shift to policy easing next year.



Figure 2
Source: BMO Capital Markets

Although investors are waiting for the peak in the interest rate cycle before getting involved in the sector again, as shown by the aggressive selling of physical gold exchange-traded funds (ETFs) (see Figure 3), Central Banks continue to be buyers of gold, a reflection of the risks that they recognise in the global financial system at this time.

TB AMATI STRATEGIC METALS FUND, INVESTMENT REVIEW (CONTINUED)

The expanding BRICS¹ economic block are also aggressive buyers of gold. It is thought that an alternative currency that will be used as a means of exchange between the BRICS countries could involve gold in the mix.

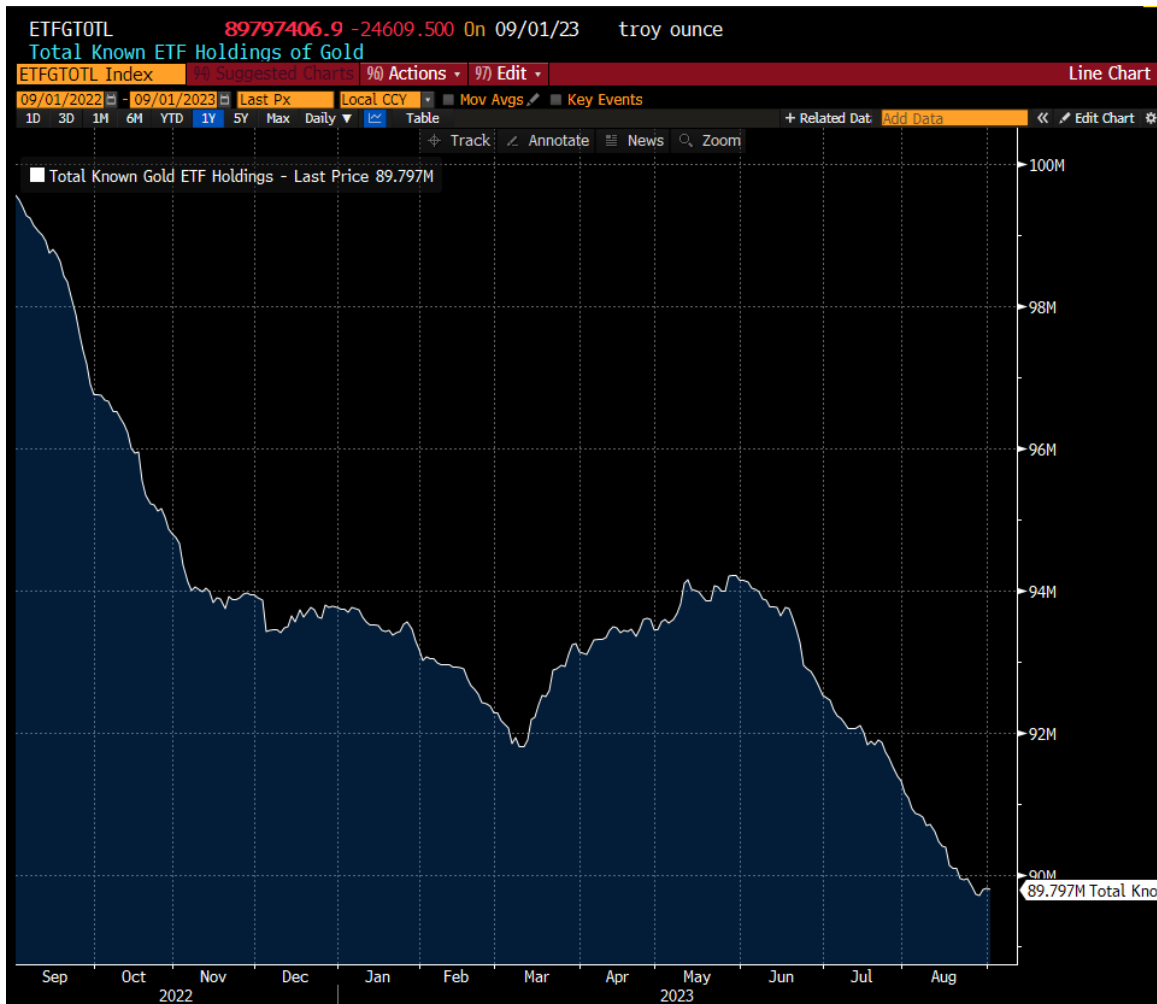


Figure 3
Source: Argonaut Securities

Performance Review

The share price of the Fund fell by -16.52% during the period under review, compared to a fall of -11.06% in the EMIX Global Mining Index (GBP), Total Return and a fall of -10.68 in the MSCI World Metals & Mining (GBP), Total Return.

¹ Brazil, Russia, India, China and South Africa.

TB AMATI STRATEGIC METALS FUND, INVESTMENT REVIEW (CONTINUED)

Portfolio Activity

The asset allocations as at the period end date are shown in the table below:

Sector	Asset allocation as at 31 July 2023 (%)	Asset allocation as at 31 January 2023 (%)
Gold	27.7	25.8
Silver	19.7	13.3
Speciality	43.4	43.9
Industrial	6.2	9.5
Cash and Other	3.0	7.5
Total	100.0	100.0

The full list of holdings as at the period end is shown in the Portfolio Statement on pages 34 to 35.

Outlook

The near-term future remains uncertain. To quote US Federal Reserve Chairman, Jerome Powell at the recently held Jackson Hole Economic Symposium "As is often the case, we are navigating by the stars under cloudy skies" - which can loosely be translated as the US Federal Reserve having no idea where interest rates are going to go in the short-term! However, there was a commitment to stay the course to get interest rates back down to 2%. There was also a commitment to achieve the energy transition targets that have been set out by the US and Europe, reaffirming the attractive outlook for battery metals over the coming years.

China is starting to intensify its efforts to stimulate its economy and support its currency, which should bode well for commodities in general going forward.

There is still uncertainty with regards to whether the US and Europe can avoid slipping into recession in late 2023 or early 2024, especially if interest rates move higher. This will cool demand for economically sensitive metals such as copper and aluminium. Battery metal prices have been volatile in recent months and we would expect prices to stabilise around these levels or slightly lower – still, much higher than what is discounted in the battery metal equity prices. If battery metal equity prices remain as depressed as they are now, we would expect heightened Mergers and Acquisition (M&A) activity in the sector over the next six to twelve months.

Gold and silver prices should perform much better in the latter half of 2023. Sentiment towards the sector remains at record lows while the risk-on trade persists. This could all change over the coming months as concerns about rising global debt levels and the cost to service this debt takes centre stage. The move by the BRICS countries to avoid trading in US dollars, reducing the need to hold US treasuries, could also weigh on the dollar and support precious metal prices. Silver continues to look particularly interesting with more than 10% of silver demand now directly attributed to the very high growth photovoltaic (PV) cell market for solar energy panels. The silver market has been in a supply deficit for the past three years with the deficit expected to widen significantly in the coming years.

With gold and silver equities so out of favour now, as reflected by the record low multiples, any return in investment demand for physical gold and silver will be extremely positive for these stocks. We also expect heightened M&A activity in late 2023 and 2024, with the Fund well positioned to benefit.

Georges Lequime
Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

Mark Smith
Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

TB AMATI STRATEGIC METALS FUND, PORTFOLIO STATEMENT

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Gold		
(27.7%; 31.01.23 - 25.8%)		
1,369,000 Bonterra Resources	202,180	0.2
183,000 Centerra Gold	904,838	1.0
24,152,947 Chesser Resources	1,452,638	1.6
307,000 Eldorado Gold	2,339,497	2.6
4,450,000 G Mining Ventures	3,233,400	3.7
625,000 G Mining Ventures Warrant	-	0.0
4,107,500 G2 Goldfields	1,916,898	2.2
1,430,400 I-80 Gold	2,256,125	2.6
919,000 K92 Mining	3,371,332	3.8
450,000 Kinross Gold Corp	1,742,884	2.0
7,200,000 Liberty Gold	1,637,524	1.8
6,701,412 OreCorp	1,559,609	1.8
400,000 Osisko Mining	732,514	0.8
200,000 Osisko Mining Warrant	-	0.0
9,619,500 Reunion Gold	3,125,428	3.5
785,690 Ricca Resources	-	0.0
256,554 Solstice Minerals	18,784	0.1
	24,493,651	27.7
Silver		
(19.7%; 31.01.23 - 13.3%)		
647,000 Coeur Mining	1,549,821	1.8
2,622,200 Discovery Silver	1,239,225	1.4
562,000 Fortuna Silver Mines	1,553,733	1.8
531,700 Fresnillo	3,286,969	3.7
1,333,330 Gogold Resources	1,134,213	1.3
1,376,000 Hochschild Mining	1,062,272	1.2
352,500 MAG Silver	3,308,971	3.7
324,000 Pan American Silver	4,253,476	4.8
	17,388,680	19.7

TB AMATI STRATEGIC METALS FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
Speciality			
(43.4%; 31.01.23 - 43.9%)			
3,768,486	Aclara Resources	845,950	1.0
12,555,523	Atlantic Lithium	2,837,548	3.2
19,136,957	Black Rock Mining	1,000,835	1.1
2,028,985	Black Rock Mining Options	-	0.0
146,000	Cameco	3,976,016	4.5
8,000,000	Euro Manganese	836,776	0.9
7,577,006	Evolution Energy Minerals	752,906	0.9
1,580,000	Frontier Lithium	1,680,057	1.9
4,270,000	Lake Resources	491,292	0.6
353,000	Li-ft Power Private Placement	1,939,331	2.2
293,210	Lithium Americas	4,576,210	5.2
1,060,000	Nouveau Monde Graphite	2,382,486	2.7
3,874,077	Peak Rare Earths	992,782	1.1
5,600,000	Piedmont Lithium	2,342,974	2.7
153,000	Sigma Lithium	4,623,984	5.2
2,468,783	Talga Group	1,691,389	1.9
5,087,788	Trident Royalties	2,289,505	2.6
1,115,000	Uranium Energy	3,130,463	3.5
856,000	Vulcan Energy Resources	1,969,771	2.2
		38,360,275	43.4
Industrial			
(6.2%; 31.01.23 - 9.5%)			
5,591,552	Centaurus Metals	2,471,033	2.8
23,220,000	Panoramic Resources	607,186	0.7
15,050,000	Talon Metals	2,356,008	2.7
		5,434,227	6.2
Portfolio of investments		85,676,833	97.0
Net other assets		2,676,423	3.0
Total net assets		88,353,256	100.0

All holdings are quoted on recognised stock exchanges.

TB AMATI STRATEGIC METALS FUND, COMPARATIVE TABLE

B Accumulation Shares	1 Feb 2023 to 31 Jul 2023 (Pence per Share)	1 Feb 2022 to 31 Jan 2023 (Pence per Share)	15 Mar 2021 ¹ to 31 Jan 2022 (Pence per Share)
Change in net assets per share			
Opening net asset value per share	113.01	103.39	100.00
Return before operating charges*	(17.82)	10.72	4.37
Operating charges	(0.52)	(1.10)	(0.98)
Return after operating charges*	(18.34)	9.62	3.39
Distributions	0.00	0.00	0.00
Retained distributions on accumulation shares	0.00	0.00	0.00
Closing net asset value per share	94.67	113.01	103.39
* after direct transaction costs of:	0.07	0.18	0.25
Performance			
Return after charges	(16.23)%	9.30%	3.39%
Other information			
Closing net asset value	£88,353,256	£90,826,887	£50,612,382
Closing number of shares	93,326,718	80,369,063	48,951,650
Operating charges (p.a.)	1.00%	1.00%	1.00%
Direct transaction costs (p.a)	0.13%	0.16%	0.27%
Prices			
Highest published share price	116.04	138.25	117.95
Lowest published share price	92.29	90.35	94.35

¹Fund launched 15 March 2021.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

TB AMATI STRATEGIC METALS FUND, STATEMENT OF TOTAL RETURN

For the six-month period ended 31 July 2023

	31.07.23	31.07.22
	£	£
Income		
Net capital losses	(15,602,615)	(5,481,232)
Revenue	208,399	190,894
Expenses	(455,718)	(345,811)
Interest payable and similar charges	(3,646)	(826)
Net expense before taxation	(250,965)	(155,743)
Taxation	(21,481)	(19,685)
Net expense after taxation	(272,446)	(175,428)
Total loss before distributions	(15,875,061)	(5,656,660)
Distributions	-	7
Change in net assets attributable to shareholders from investment activities	(15,875,061)	(5,656,653)

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the six-month period ended 31 July 2023

	31.07.23	31.07.22
	£	£
Opening net assets attributable to shareholders	90,826,887	50,612,382
<i>Movements due to sales and repurchases of shares:</i>		
Amounts receivable on issue of shares	24,194,161	38,510,523
Amounts payable on cancellation of shares	(10,792,731)	(17,537,098)
	13,401,430	20,973,425
Change in net assets attributable to shareholders from investment activities	(15,875,061)	(5,656,653)
Closing net assets attributable to shareholders	88,353,256	65,929,154

TB AMATI STRATEGIC METALS FUND, BALANCE SHEETAs at 31 July 2023

	31.07.23	31.01.23
	£	£
Assets:		
Fixed Assets:		
Investments	85,676,833	83,983,556
Current Assets:		
Debtors	262,788	1,537,810
Cash and bank balances	2,704,042	5,771,178
Total assets	88,643,663	91,292,544
Liabilities:		
Creditors:		
Other creditors	290,407	465,657
Total liabilities	290,407	465,657
Net assets attributable to shareholders	88,353,256	90,826,887

TB AMATI STRATEGIC METALS FUND, NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2023

Accounting policies

The financial statements have been prepared on the basis of the accounting policies set out in the Annual Report and Financial Statements for the year ended 31 January 2023.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

As described in the Statement of the Authorised Corporate Director's Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

TB AMATI STRATEGIC METALS FUND, DISTRIBUTION TABLE

For the period ended 31 July 2023

Interim Distribution (31 July 2023)

Group 1 - Shares purchased on or prior to 31 January 2023

Group 2 - Shares purchased after 31 January 2023

Shares	Revenue	Equalisation ¹	Accumulated 30.09.23	Accumulated 30.09.22
	(pence)	(pence)	(pence)	(pence)
<hr/>				
B Accumulation				
Group 1	-	-	-	-
Group 2	-	-	-	-

¹ Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

TB AMATI STRATEGIC INNOVATION FUND

TB AMATI STRATEGIC INNOVATION FUND, AUTHORISED STATUS

The Fund is a sub-fund of TB Amati Investment Funds with investment powers equivalent to those of a UK UCITS as defined in the Glossary to the Financial Conduct Authority ('FCA') Handbook.

INVESTMENT OBJECTIVE AND POLICY

The TB Amati Strategic Innovation Fund (the 'Fund') aims to provide capital growth over the long term (periods of 5 years or more).

At least 80% of the Fund will be invested in shares or equity related securities issued by companies listed on global equity markets (including emerging markets) that create value from innovative products, services and business models that address key challenges facing businesses, consumers and societies at large. These will include traditional areas of innovation such as information technology, communication, healthcare and industrials as well as new areas of innovation addressing incremental business and societal development challenges, which the Investment Manager considers to be strategic in character, given the transformative opportunities. The Investment Manager may invest in companies of any size, however, it expects that the implications of innovation may result in the Fund's portfolio having a mid-cap bias.

The Fund is actively managed, and in selecting investments for the Fund, the Investment Manager will take into account target companies' corporate governance, as well as broader environmental and social considerations, including human rights. While these factors alone do not ultimately determine the selection of investments made within the Fund, they do form an integral part of the process of identifying the risks and opportunities associated with such investments.

There may be occasions where the Investment Manager chooses to hold a proportion of the Fund (up to 20%) in other transferable securities, collective investment schemes, exchange traded products, money market instruments, cash and near cash to protect returns in certain market conditions (e.g. severe market downturns). No more than 10% of the Fund will however be invested in collective investment schemes.

The Fund may at times be concentrated by industry sector. The Fund's portfolio will typically hold between 30 and 50 stocks at any given time.

The Fund may use derivatives to reduce risk or cost or to generate additional capital or income at proportionate risk (known as "Efficient Portfolio Management"). It is intended that the use of derivatives will be limited.

FUND BENCHMARK

Shareholders may wish to compare the performance of the Fund against the MSCI All Country World Index (the "Index"). The Index tracks nearly 3,000 stocks in 48 developed and emerging market countries. The Index is used as a benchmark for global equity funds and as a guide to asset allocation, and on that basis the Index is considered an appropriate performance comparator for the Fund. Please note the Fund is not constrained by or managed to the Index.

The MSCI All Country World Index is a Comparator Benchmark of the Fund.

TB AMATI STRATEGIC INNOVATION FUND, RISK PROFILE

A limited number of investments may be held which has the potential to increase the volatile performance over shorter time periods.

The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

The movements of exchange rates may lead to further changes in the value of investments and the income from them.

There is a risk that any company providing services such as safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

SYNTHETIC RISK AND REWARD INDICATOR

The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of one to seven. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

The Fund is in risk category six because it invests in shares.

As the Fund launched on 23 May 2022, the indicator has been calculated based in part on the volatility of the Investment Association Global Sector (GBP) average over the last five years (in total return and GBP terms).

ONGOING CHARGES FIGURE

The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a Collective Investment Scheme. The OCF consists principally of the Annual Management Charge, but also includes the costs for other services paid in respect of Depositary, custody, FCA and audit fees. The OCF, as calculated in accordance with ESMA guidelines, is disclosed as 'Operating charges (p.a.)' in the Comparative Table on page 53.

INVESTMENT MANAGEMENT TEAM

The TB Amati Strategic Innovation Fund has been managed by Mikhail Zverev and Graeme Bencke, and supported by Dr Gareth Blades, since the Fund's launch on 23 May 2022. Both Mikhail and Graeme have track records of long-term, top quartile outperformance in global equity and ran successful multibillion-dollar global equity franchises for major international investment firms. They bring valuable first-hand insights into the dynamics of innovative companies, acquired in previous roles advising and raising capital for high growth businesses in technology, healthcare and engineering sectors.

The management team have collective investment experience spanning more than 50 years and have diverse academic and research backgrounds covering semiconductors, pharmaceuticals, neuroscience, nanotechnology, accounting and finance. This brings with it the knowledge of complex and highly technical industries at the forefront of innovation as well as sound judgment of the business and financial models and valuation discipline. The team share a history of an investment approach focused on technological change and innovation in global companies, backed by rigorous fundamental research and disciplined stock-picking. Mikhail has a long-standing association with Amati founder and CEO Paul Jourdan, having known each other professionally for more than two decades and worked together for five years earlier in their careers.

INVESTMENT MANAGEMENT TEAM (CONTINUED)

In July 2023, the Fund was awarded a Morningstar Bronze Medallist Rating. The Medallist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. The Fund was also awarded the second highest Morningstar Sustainability rating of 4 Globes along with a Morningstar Low Carbon Designation resulting from very low fossil fuel exposure over the last 12 months.

Should you wish to receive monthly fund factsheets and updates on events by email, please contact: info@amatiglobal.com.

TB AMATI STRATEGIC INNOVATION FUND, BIOGRAPHIES



Mikhail Zverev - Fund Manager

Mikhail joined Amati in February 2022 as a fund manager to work on the TB Amati Strategic Innovation Fund. Between 2007 and 2021 Mikhail managed high conviction global funds and ran global equities teams at Standard Life Investments (now Abrdn) and Aviva Investors. Mikhail started his career in finance in 1998 with boutique investment bank Trigon Capital, helping to raise growth capital for Eastern European technology companies. Following a spell with Citigroup, where he was a Mergers & Acquisitions analyst, he joined First State Investments as a Senior Equity Analyst, working alongside Paul Jourdan on the FSI British Smaller Companies

Fund and FSI AIM VCT. Mikhail holds a BSc in Semiconductor Physics from St Petersburg State Technical University and an MSc in Accounting and Finance from the London School of Economics.



Graeme Bencke - Fund Manager

Graeme joined Amati in May 2022 as a Fund Manager for the TB Amati Strategic Innovation Fund. Graeme began his career as an equity analyst at F&C Investments before going on to manage its European Smaller Companies Fund for 5 years. He then spent 12 years with AIG (later renamed PineBridge Investments) where he led the European and then Global equity teams, combining this with his role as Equity Strategist for the Group. Graeme has always managed concentrated, high conviction equity portfolios from across the full market cap spectrum, and with a focus on strong businesses with longer term growth potential. His interest in

innovation extends beyond the fund through his non-executive role at Torvius where he helps to mentor start-up companies. Graeme holds a first-class BSc in Business Management from Royal Holloway University of London and is an associate member of the Society of Investment Professionals (ASIP).

**Dr Gareth Blades - Analyst**

Gareth joined Amati in 2019 as an Analyst supporting the fund management team of TB Amati UK Smaller Companies Fund and Amati AIM VCT plc. Prior to Amati, Gareth worked as an independent consultant supporting early stage life science companies in their operational and strategic decision making. In 2016 he worked for the College of Medicine and Veterinary Medicine at the University of Edinburgh building and spinning-out therapeutic, med-tech, diagnostic and e-health companies. In 2015, Gareth worked in healthcare corporate finance at PharmaVentures in Oxford. During his time at PharmaVentures he delivered expert reports,

business development, licensing and due diligence projects for international clients. Prior to this he worked for White Space Strategy in Oxford, a leading market analysis and strategy consultancy serving financial services, TMT, manufacturing, energy and public sector clients. Gareth has a DPhil in Systems Biology - Biochemistry from the University of Oxford, an MPhil in Micro and Nanotechnology Enterprise from the University of Cambridge and a first in Neuroscience from Cardiff University.

TB AMATI STRATEGIC INNOVATION FUND, INVESTMENT REVIEW

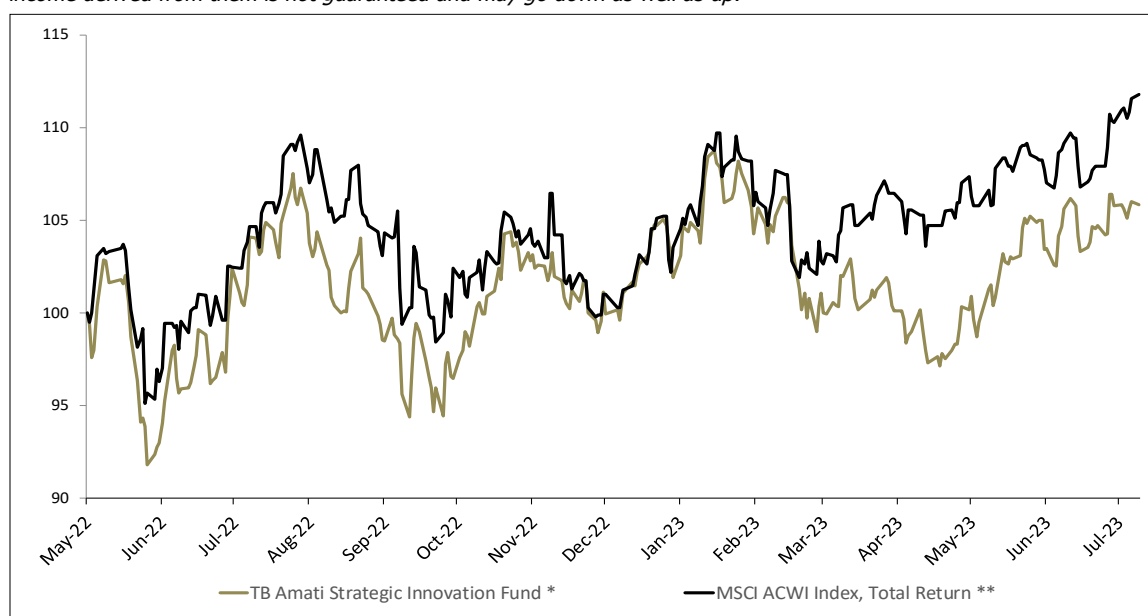
Performance

Cumulative returns for the period ended 31 July 2023 (%)			
	6 months	1 year	From Launch*
B Accumulation Shares	2.01	1.68	5.86
MSCI All Country World Index (GBP)**	5.45	6.79	11.81

Source: Financial Express. Total Return. Bid to Bid.

* 23 May 2022. ** Comparator Benchmark.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the income derived from them is not guaranteed and may go down as well as up.



* TB Amati Strategic Innovation Fund Total Return. ** Comparator Benchmark Index: MSCI ACWI Index (GBP) Total Return. Source: Amati Global Investors Ltd as at 31 July 2023. Past performance is not a reliable indicator of future performance. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

Market Review

The much-publicised economic recession remains just over the horizon as we write, while the anticipated slowdown in demand attributable to the sharp rise in interest rates has thus far failed to materialise, in the broad economic data. However, the mix of spending does appear to have swung away from consumption of physical goods in favour of 'experiences' such as holidays and live events which is perhaps the natural corollary of the physical consumption boom experienced during the pandemic. Retailers, logistics groups and manufacturers are responding by cutting investment in the short term, destocking and focusing on efficiency and cashflow. The knock-on effects of these moves can develop into a broader deceleration as a lagged effect, and predicting the duration and depth of these events is notoriously difficult (if not impossible). The other clear indication of a weaker environment can also be partially blamed on the Corona virus.

Commercial real estate, particularly office space, is clearly under pressure from the combined impact of the shift to working from home and the dramatic increase in financing costs from higher interest rates. The banking sector is applying additional pressure by tightening lending requirements¹ for potential buyers as they see defaults starting to creep up, which again has the potential to escalate over time.

From a more positive perspective, employment remains at very high levels in most of the 'global north' and inflation is showing signs of decelerating. Wages have been increasing, so earnings are starting to show signs of improvements in real terms, which should all help to keep consumption ticking along within the context discussed above.

The one clear bright spot discernible through the gloom of the first half of 2023 was the remarkable progress and development of generative artificial intelligence (AI). The potential benefits from improved productivity and functionality have sparked a deluge of excitement and investment across almost every market as companies and individuals wrestle with the technology to gain advantage over peers. The combination of genuine investment and extreme hype provided unexpected momentum to several stocks in the technology sector. In particular, the largest of the tech companies with the deepest pockets and the most immediate claim on the new 'large language models' saw their share prices rise 50% or more in many cases. In fact, over the first six months of 2023 the seven largest of these (nicknamed the 'Magnificent Seven'²) between them added ~\$4.2 trillion of value – equivalent to the GDP of Germany, the fourth largest economy on the planet. These seven stocks accounted for more than half of the total increase in value of the world's stock markets combined over this period.

Performance Review

The share price of the Fund rose by 2.01% during the period under review, compared to gains of 5.45% in the MSCI All Country World Index, Total Return (GBP).

As existing investors will be aware, when launching the Fund, we made clear that our focus for investment was to identify strong, specialist businesses which benefit, either directly or indirectly, from a specific innovation frontier. The aim being to explore the broad value chain impacted by the change and then isolate the companies with the most attractive return for the associated risk. Areas of innovation may be technological, such as the growing use of photonics, or more prosaic (but equally valuable) such as sustainable construction. Whatever the innovation we attempt to map out the 'cluster' of businesses that are exposed to the changes. This will typically include those creating and driving the change (Pioneers) as well as those providing associated products and services (Enablers) and even fast followers or copycats (Adopters). By reviewing the full value chain, we can see where competition is the least fierce and returns are highest and find the beneficiaries which the broader market is underestimating. By its nature, this process tends to lead us to smaller and mid-sized companies that focus on a specific segment and are further 'down the rabbit hole' than most other investors tend to go. While our experience, and historical information, suggests that this approach will outperform in the longer term, there are periods where it will not. One of those was the period under review. As mentioned above the extreme concentration of performance across such a small number of mega-cap technology companies was a significant headwind for the Fund. While these companies are not excluded for investment in the Fund (indeed we owned **Nvidia**, a specialist manufacturer of GPUs, the chips that enable the AI progress) we are less likely to have non-consensus views on several of the largest and most well-discovered benchmark constituents at the same time.

Their impact is particularly obvious when we review the main negative contributors to performance over the period. In a normal period, these would be companies we hold which had, for idiosyncratic reasons, underperformed over the period. In this case, however, 4 of the 10 largest negative contributions were from not holding companies in the 'Magnificent Seven'. Not holding Apple, Microsoft, Meta platforms and Tesla accounted for a remarkable combined headwind of 3.19%.

¹The Federal Reserve's Senior Loan Officer Opinion Survey July 2023

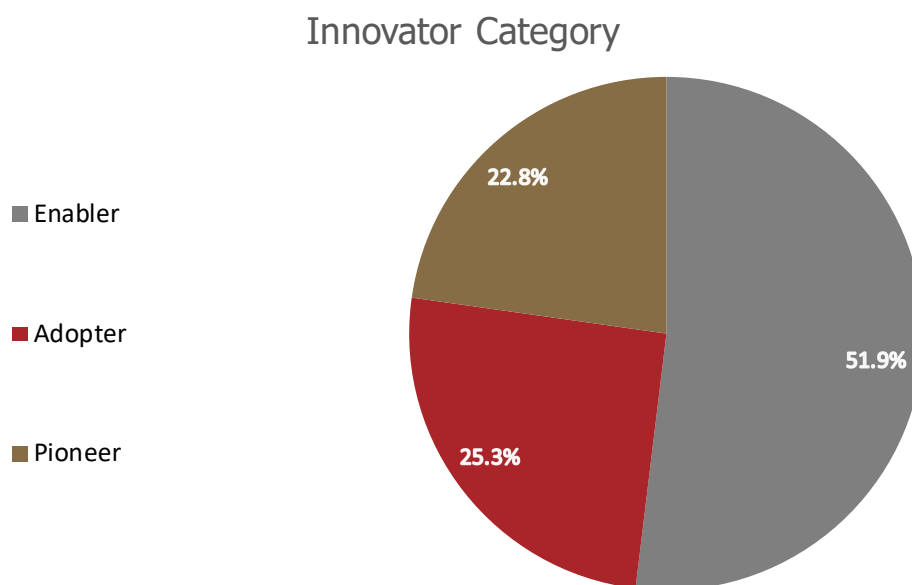
² Apple, Microsoft, Alphabet, Amazon.com, Nvidia, Tesla and Meta Platforms

From across the holdings on the portfolio the most significant performance drag came from **Future**, the UK listed media group. Its targeted range of special interest websites and publications positions it well for when “3rd party cookies” (the main instrument for targeting and personalising online ads) ceases to function effectively in the coming year or so. With substantial innovation in the marketing services space, this should directly favour Future’s business model. However, in the short term the advertising cycle has weakened with the broader economic environment, and some see the advent of generative AI as a threat to their fortunes. We do not agree with the latter and try to look through the cyclical noise in favour of the structural benefit over time. Another detractor in the period was **Nordic Semiconductor**, a specialist wireless connectivity chip designer which is also facing near term cyclical headwinds. However, its market position and product innovation has not diminished and the demand for its products will, in our view, continue to grow strongly over the next 3-5 years. We took advantage of the weakness to add to the position.

The most positive contributions came from **SK Hynix** in Korea and **MasTec** in the US. SK Hynix is one of an oligopoly of memory semiconductor producers in the world today. Like many others, this industry suffers from cyclical behaviour over the short term, but the structural winners are relatively stable within that. The memory market performed poorly in 2022 providing an excellent entry point for longer-term focused investors and we took advantage of this weakness. The gradual recovery of the sector was then given a sharp boost by the demand for AI related processing, which is highly memory dependent. MasTec, the US listed construction services group, was also a cyclical beneficiary in the period via the US stimulus Acts, electrical grid expansion and the return of investment in oil & gas infrastructure.

Unusually the company providing the largest absolute benefit was not a top contributor given its large weighting in the benchmark, but nonetheless it provided a strong boost to the Fund. Nvidia gained significant notoriety over the period thanks to the explosion in generative AI and the enormous interest in applications such as ChatGPT and Google’s Bard chatbot. When we bought the shares earlier in the year, we felt that the AI opportunity was being under-appreciated and that the focus for many investors (crypto mining and gaming) was backward looking. After rising more than 100% in short order, and achieving our assessment of intrinsic value, we decided to sell the shares. Sometimes the investment case plays out much faster than expected.

The Innovator Category chart below shows the weightings of our proprietary Innovation Categories of Pioneers, Enablers and Adopters as at the period end date.



Source: Amati Global Investors as at 31st July 2023

TB AMATI STRATEGIC INNOVATION FUND, INVESTMENT REVIEW (CONTINUED)

Portfolio Activity

The asset allocations as at the period end date are shown in the table below:

Sector	Asset allocation as at 31 July 2023 (%)	Asset allocation as at 31 January 2023 (%)
Communication Services	3.1	2.9
Consumer Discretion	1.4	3.2
Health Care	13.6	15.7
Industrial	35.0	32.2
Information Technology	36.7	39.4
Exchange Traded Funds	1.7	2.1
Materials	2.6	-
Financials	3.1	-
Cash and Other	2.8	4.5
Total	100.0	100.0

The full list of holdings as at the period end is shown in the Portfolio Statement on pages 50 to 52.

There were four new holdings added to the Fund over the period, evenly split between the US and Europe, although by coincidence rather than design. **Moog** is a US listed manufacturer of precision motion control systems. Its products are important enablers of innovation across both civil and military aviation as well as in specialist applications such as space. The new CEO has taken a more aggressive approach to running this somewhat complacent business and it is now showing strong signs of progress. It has considerable opportunity for both revenue growth and increased margins and is still at an early stage on this journey. The other US listed company is **Fabrinet**, although operations are principally located in Thailand. Fabrinet is another specialist manufacturer but primarily in the field of photonics. Customers outsource the highly complex production of electro-optical components to Fabrinet where know-how, equipment and customer relationships all represent barriers to competition. Demand for optical components continues to grow as more communication and data processing moves to optics from traditional copper wires. The explosion in AI related data centres is only one example of this trend.

In Europe we added positions in both **Ipsos** and **Autostore**. Ipsos will be known to some, as their name often appears in the press associated with consumer polls. Under a new CEO, Ipsos offers a step up in growth as the company shifts to a digital platform approach to combine with long standing customer relationships and strong industry reputation. The marketing information sector is witnessing considerable change through innovation and Ipsos is one of the pioneers. Autostore is another pioneer, but this time in the warehouse automation space. Their robotic cube storage technology leads the market and offers enormous growth over the coming decade as traditional, largely manual warehouses benefit from the efficiency gains. The Norwegian company is a clear niche leader but partners with some of the largest logistics automation specialists in the world and continue to gain market share.

The Fund has a self-imposed requirement to hold between 30-40 stocks, with a 3-5 year investment horizon. This should lead to a low turnover of holdings and over the period under review we sold out of only two positions, **Nvidia** and **Qorvo**. Nvidia is discussed above. We had owned Qorvo since the launch of the Fund and the performance was almost flat over that period. The investment case had yet to play out and we saw no company specific red flags. However, as a US based semiconductor manufacturer with a very material exposure to the Chinese market we became concerned about possible clouds on the horizon. The growing rhetoric and direct export restrictions from the US towards China will likely over time lead Chinese buyers to prefer local producers. Since this was not yet appreciated by investors we decided to exit before it became an obvious risk.

Outlook

Looking into the remaining months of the Fund's financial year we are more optimistic regarding the state of the equity markets. Although in general the macro indicators remain weak, there are gentle rays of sunlight to be seen in the gloom. The supply chain dislocations and the rush of online shopping that coincided during the Covid pandemic led to panicked over-ordering from companies desperate to fulfil demand. The supply issues eased around the same time that people began to return to work, having satiated their desire for consumption. This combination of events at first emptied and then fully refilled the distribution and logistics centres across supply chains, as companies struggled to find an equilibrium. A weaker economic outlook caused by rising interest rates and squeezed spending led to a forced destocking back to more normal levels, additionally encouraged by the rising costs of the debt associated with holding the inventory. After all, the value of the widgets has to be funded somehow. With the reduced consumer demand being met from existing stock in warehouses, the producers of goods felt the slowdown even more acutely.

The positive news is that we are starting to see indications that this destocking process is coming to an end. As it does, the pressures will begin to ease and investment will shortly follow suit. This cyclical process is normal in economies, even if unusually pronounced this time, as a result of the pandemic and the energy price induced inflation. In the short term, this cyclical behaviour can be disruptive for the progress of even the most structurally beneficial innovations. Our approach has been to attempt to 'look across the valley' during cycles such as this and remain focused on what we see to be the most 'technologically inevitable' developments and the companies best placed to benefit. Although impossible to time markets in this regard, the evidence from regular contact with companies as well as signs of a slowing pace of inflation and interest rate hikes, suggest we should be past the worst. We firmly believe that adding to our positions on cyclically induced weakness will pay off handsomely over the coming year and beyond, and so that is what we continue to do.

Mikhail Zverev
Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

Graeme Bencke
Fund Manager
Amati Global Investors Ltd
Edinburgh, United Kingdom
28 September 2023

TB AMATI STRATEGIC INNOVATION FUND, PORTFOLIO STATEMENT

As at 31 July 2023

Holding or nominal value of positions		Bid market value £	Percentage of total net assets %
Communication Services (3.1%; 31.01.23 - 2.9%)			
11,210	Future	93,996	1.5
2,696	Ipsos	104,867	1.6
		198,863	3.1
Consumer Discretionary (1.4%; 31.01.23 - 3.2%)			
872	Volkswagen	90,037	1.4
		90,037	1.4
Health Care (13.6%; 31.01.23 - 15.7%)			
3,484	Indivior	61,040	1.0
1,790	IQVIA	311,642	4.9
1,293	Laboratory Corporation of America	215,138	3.4
7,462	Qiagen	272,304	4.3
		860,124	13.6
Industrial (35.0%; 31.01.23 - 32.2%)			
72,000	AutoStore Holdings	139,820	2.2
2,797	Booz Allen Hamilton	263,385	4.1
4,919	GEA	162,998	2.6
729	Hubbell	176,886	2.8
2,871	Jacobs Engineering	279,977	4.4
15,827	Leonardo DRS	205,315	3.2
2,590	MasTec	237,185	3.7
1,800	Moog	147,578	2.3
5,962	Prysmian	185,005	2.9
1,143	Trane Technologies	177,308	2.8
2,581	Wolters Kluwer	252,311	4.0
		2,227,768	35.0

TB AMATI STRATEGIC INNOVATION FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Information Technology (36.7%; 31.01.23 - 39.4%)		
463 Accenture	113,957	1.8
1,916 Ambarella	124,306	2.0
3,202 Amdocs	233,115	3.7
1,793 Amphenol	123,145	1.9
1,064 Arista Networks	128,403	2.0
2,742 Ciena	89,993	1.4
1,566 Fabrinet	150,462	2.4
3,726 Infineon Technologies	127,565	2.0
2,652 Lumentum	107,912	1.7
777 Motorola Solutions	173,239	2.7
11,509 Nordic Semiconductor	131,855	2.1
2,051 PTC	232,584	3.7
1,060 Reply Spa	89,422	1.4
2,846 Sk Hynix	214,322	3.4
9,979 Yageo	113,314	1.8
721 Zebra Technologies	172,708	2.7
	2,326,302	36.7
Exchange-traded funds (1.7%; 31.01.23 - 2.1%)		
1,300 SPDR® Bloomberg 1-3 Month T-Bill	106,488	1.7
	106,488	1.7
Materials (2.6%; 31.01.23 - 0.0%)		
4,337 Novozymes	169,329	2.6
	169,329	2.6

TB AMATI STRATEGIC INNOVATION FUND, PORTFOLIO STATEMENT (CONTINUED)

As at 31 July 2023

Holding or nominal value of positions	Bid market value £	Percentage of total net assets %
Financials		
(3.1%; 31.01.23 - 0.0%)		
3,909 Edenred	197,625	3.1
	197,625	3.1
Portfolio of investments	6,176,536	97.2
Net other assets	175,428	2.8
Total net assets	6,351,964	100.0

All holdings are quoted on recognised stock exchanges.

TB AMATI STRATEGIC INNOVATION FUND, COMPARATIVE TABLE

B Accumulation Shares	1 Feb 2023 to 31 Jul 2023 (Pence per Share)	23 May 2022¹ to 31 Jan 2023 (Pence per Share)
Change in net assets per share		
Opening net asset value per share	104.90	100.00
Return before operating charges*	1.71	5.46
Operating charges	(0.53)	(0.56)
Return after operating charges*	1.18	4.90
Distributions	(0.18)	(0.32)
Retained distributions on accumulation shares	0.18	0.32
Closing net asset value per share	106.08	104.90
* after direct transaction costs of:	0.04	0.20
Performance		
Return after charges	1.12%	4.90%
Other information		
Closing net asset value	£6,351,965	£5,101,210
Closing number of shares	5,987,721	4,863,051
Operating charges (p.a.)	1.00%	1.00%
Direct transaction costs (p.a)	0.08%	0.28%
Prices		
Highest published share price	108.76	107.55
Lowest published share price	97.15	91.82

¹Fund Launched 23 May 2022.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

TB AMATI STRATEGIC INNOVATION FUND, STATEMENT OF TOTAL RETURN

For the period ended 31 July 2023

	01.02.23 to 31.07.23	23.05.22 to 31.07.22
	£	£
Income		
Net capital gains	59,630	102,976
Revenue	46,897	4,185
Expenses	(30,117)	(3,766)
Interest payable and similar charges	-	(22)
Net revenue before taxation	16,780	397
Taxation	(5,830)	(553)
Net revenue/(expense) after taxation	10,950	(156)
Total return before distributions	70,580	102,820
Distributions	(10,947)	156
Change in net assets attributable to shareholders from investment activities	59,633	102,976

STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period ended 31 July 2023

	01.02.23 to 31.07.23	23.05.22 to 31.07.22
	£	£
Opening net assets attributable to shareholders	5,101,210	-
<i>Movements due to sales and repurchases of shares:</i>		
Amounts receivable on issue of shares	1,570,118	2,580,439
Amounts payable on cancellation of shares	(390,049)	(8,971)
	1,180,069	2,571,468
Change in net assets attributable to shareholders from investment activities	59,633	102,976
Retained distributions on accumulation shares	11,052	79
Closing net assets attributable to shareholders	6,351,964	2,674,523

TB AMATI STRATEGIC INNOVATION FUND, BALANCE SHEETAs at 31 July 2023

	31.07.23 £	31.01.23 £
Assets:		
Fixed Assets:		
Investments	6,176,536	4,870,724
Current Assets:		
Debtors	43,731	102,188
Cash and bank balances	269,998	141,494
Total assets	6,490,265	5,114,406
Liabilities:		
Creditors:		
Other creditors	138,301	13,196
Total liabilities	138,301	13,196
Net assets attributable to shareholders	6,351,964	5,101,210

TB AMATI STRATEGIC INNOVATION FUND, NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 July 2023

Accounting policies

The financial statements have been prepared on the basis of the accounting policies set out in the Annual Report and Financial Statements for the year ended 31 January 2023.

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

As described in the Statement of the Authorised Corporate Director's Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Fund.

TB AMATI STRATEGIC INNOVATION FUND, DISTRIBUTION TABLE

For the period ended 31 July 2023

Interim Distribution (31 July 2023)

Group 1 - Shares purchased on or prior to 31 January 2023

Group 2 - Shares purchased after 31 January 2023

Shares	Revenue	Equalisation¹	Accumulated 30.09.23	Accumulated 30.09.22
	(pence)	(pence)	(pence)	(pence)
<hr/>				
B Accumulation				
Group 1	0.1845	-	0.1845	0.0030
Group 2	0.1766	0.0079	0.1845	0.0030

¹ Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

DIRECTORY

The Company

TB Amati Investment Funds
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NG1 6FJ

Authorised Corporate Director (ACD)

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NG1 6FJ

Tel: 0115 988 8200
Website: www.tbaileyfs.co.uk

Authorised and regulated by the Financial Conduct Authority.

Directors of the ACD

Mr G M J Padbury
Mr M Hand
Mr M Smith
Mrs R E Wheeler (Non-executive)
Mr A Kerneis (Independent non-Executive)
Mrs G E Mitchell (Independent non-Executive)
Miss J L Kirk (Resigned 1 March 2023)
Mrs R E Elliott (Resigned 1 March 2023)

Investment Manager

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Depository

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Registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

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