

Maitland

**MI Somerset Capital Management Investment Funds
ICVC**

Interim Report 31 March 2023

MI Somerset Capital Management Investment Funds ICVC

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Directory

Authorised Corporate Director ('ACD') & Registrar

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Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 01245 398950
Fax: 01245 398951
Website: www.maitlandgroup.com
(Authorised and regulated by the Financial Conduct Authority)

Customer Service Centre

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY
Telephone: 0345 026 4282
Fax: 0845 299 1178
E-mail: SomersetCM@maitlandgroup.com

Directors of the Authorised Corporate Director

A.C. Deptford
P.J. Foley-Brickley
C. O'Keeffe
D. Phillips (Non-Executive Director)
J. Thompson (Non-Executive Director)

Investment Manager

Somerset Capital Management LLP
Manning House, 22 Carlisle Place,
London SW1P 1JA
(Authorised and regulated by the Financial Conduct Authority)

Lead Investment Managers

Kumar Pandit
Edward Robertson
Christopher White
Mark Williams

Co-Lead Investment Manager

Mark Asquith

Depository

Northern Trust Investor Services Limited
50 Bank Street, Canary Wharf, London E14 5NT
(Authorised and regulated by the Financial Conduct Authority)

Independent Auditor

Grant Thornton UK LLP,
Statutory Auditors, Chartered Accountants
30 Finsbury Square, London EC2A 1AG

Basis of Accounting

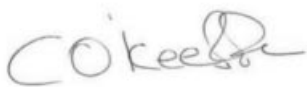
The interim financial statements have been prepared under the historical cost basis, as modified by revaluation of investments and in accordance with FRS102 and the Statement of Recommended Practice ('SORP') for the Financial Statements of UK Authorised Funds issued by the Investment Association ('IA') in May 2014 and amended in June 2017.

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 30 September 2022.

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

Certification of the Interim Report by the Authorised Corporate Director

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('the COLL Sourcebook') and the Statement of Recommended Practice issued by the IA.



C. O'Keeffe

P.J. Foley-Brickley

Directors

Maitland Institutional Services Limited

31 May 2023

Investment Objective and Policy

Investment objective

The Sub-fund seeks to achieve capital appreciation by mainly investing in an actively managed portfolio of emerging market securities.

Investment policy

The portfolio will consist principally of quoted equity securities, issued by companies established or operating in emerging market countries, principally in Asia, Eastern Europe, the Middle East, Africa and Latin America.

The Sub-fund may also invest at the Investment Manager's discretion in other transferable securities, money market instruments, cash and near cash, depositary receipts, derivative instruments and forward transactions, deposits, and derivatives for the purpose of hedging or efficient portfolio management. The Sub-fund may also invest in shares in other collective investment schemes subject to the limits set out in Appendix 2 of the Prospectus, however, investment by the Sub-fund in other Schemes will be limited to a maximum of 10% of the scheme property of the Sub-fund. Use may also be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted under applicable FCA Rules.

The Company permits the use of derivatives for investment purposes by the Sub-fund, however, this policy is not currently applied and may not be applied without giving the required 60 day notice to Shareholders. If derivatives are used for the purpose of meeting the investment objective of the Sub-fund it is not intended that the use of derivatives would significantly raise the risk profile but this cannot be guaranteed and the risk profile may increase as a result of a change in the investment policy for derivatives.

The Sub-fund is permitted to invest 5% or more of its scheme property in warrants. Such investments may increase the volatility of the Sub-fund and therefore may adversely affect its risk profile.

Investment Manager's Report

for the period ended 31 March 2023

The Sub-fund in capital terms during the 6 months to 31 March 2023 underperformed by -3.14% against the MSCI Emerging Markets Total Return Net Index. The Sub-fund's Institutional Accumulation Class¹ share price at NAV fell 0.18% in sterling terms whereas the MSCI Emerging Markets Index rose 2.96%.

The Chinese market rebounded strongly into the end of 2022 as the government ended its zero-Covid policy. Our portfolio, which is overweight in China, benefitted accordingly. However, in the first quarter of 2023, we have seen a relative pull-back in Chinese equities as investors became cautious about the pace of the economic recovery. Our view is that the recovery will be lumpy and will begin to materialise more broadly across the Chinese economy in the second half of the year. We visited China in March and our conversations with company management back up this view.

The main driver of Sub-fund underperformance over the period was weak returns from JD.Com and Meituan in China. We have a relatively large position in e-commerce company JD.Com. The stock was weak as management indicated that its earnings recovery would be in the second half of this year. Food delivery platform, Meituan, also sold-off as demand for food delivery fell as the economy reopened and customers returned to in-store dining. We believe both companies remain best-in-class. Despite recent stock price weakness, we believe both will perform strongly over the long-term.

Elsewhere in China, we have continued to add to BYD, the electric vehicle ('EV') manufacturer, and contemporary Ampere Technology ('CATL'), the lithium battery manufacturer. Over the period, BYD reported stellar results from 2022 and guided for a strong 2023. The company, which only sells electric vehicles, is taking market share from rivals, including Tesla. We believe both these companies will be long-term winners as the Chinese EV market grows, with EV penetration already ahead of international markets (CATL will also benefit from growing battery storage).

Since the October 2022 lows, when China ended its lockdown, the portfolio has returned +11.18% in GBP, +1.58% ahead of the benchmark. We expect to see Chinese stock outperformance re-assert itself, after a muted Q1 2023, as the economic cycle in China gathers momentum towards the end of this year and into 2024.

Investment Manager's Report

continued

The main positive contributors to relative returns were our Financials holdings including Mexican bank, Grupo Financiero Banorte. Mexican equities have benefitted from a strengthening peso and the continued potential of nearshoring as geopolitical tensions between China and the US remain. In addition, American Society of Executives Association ('ASEA') e-commerce company SEA rallied after management pleasingly delivered on its commitment to profitability early, a key inflection point. We have added to our position.

Over the period we added a new holding in China, Milkyway Chemical Supply Chain Service, the private chemical logistics company. Milkyway should benefit from an increasing usage of outsourced chemical logistics, which is low at 26% compared to nearer 80% in developed markets. This will hinge on tightening environmental and safety regulations, which drives increased outsourcing. We also believe Milkyway will gain share, as it is a well-run private company that mainly competes against state-owned enterprises. Milkyway has licensing barriers in storage which are hard to challenge with high switching costs, which creates a tight supply/demand dynamic that provides pricing power. The competitive dynamic also applies to potential consolidation, where Milkyway is the key (and often only) buyer in this industry and can execute in a value accretive way. The added optionality here is the chemical commerce business, where it is doubling every year and given low penetration can continue to do so for some years. Management targets 40% earnings growth annually for the next three years.

Elsewhere we purchased, MercadoLibre ('MELI'), the leading Latin America ('LATAM') e-commerce and fintech company, with an earnings growth profile that we believe is just about to inflect as it starts monetizing two key businesses: credit and advertising. Before purchasing the stock, we waited for 4Q results for an update on the credit book, as trends in the broad banking sector in Brazil have been deteriorating, and growth in the advertising business. Today MELI accounts for <2% of digital ad spends in LATAM versus 11% for Amazon in the US. MELI's credit opportunity is vast with <1% market share currently and with the business remaining well positioned; solid competitive advantages stem from low customer acquisition costs, platform ecosystem lock-in, and data-driven credit underwriting.

Brazilian equities more broadly have struggled with political headwinds since the elections in October 2022. The new government is still establishing market credibility. Valuations are attractive but the market needs to see further signs of political stability before investor confidence returns.

Looking forward, valuations in Emerging Markets and China remain attractive. Although the Chinese recovery has been muted so far this year, we expect momentum to increase as the economic growth continues to pick-up over course of this year and next year.

¹Net Asset values of the Accumulation shares classes are based on the published single price provided by Maitland Institutional Services Limited, the Sub-fund ACD and Administrator; historical prices for other share classes can be provided on request.

Edward Robertson

Lead Manager

19 April 2023

MI Somerset Global Emerging Markets Fund

Portfolio Statement

as at 31 March 2023

Holding	Security	Market value £	% of total net assets 2023
TECHNOLOGY 26.83% (23.87%)			
Software and Computer Services 12.21% (12.27%)			
447,567	Infosys	6,304,774	3.03
361,202	Meituan B	5,343,798	2.57
59,255	Sea ADR	4,153,177	1.99
241,628	Tencent	9,617,457	4.62
260,772	Yandex^	–	0.00
		<hr/>	
		25,419,206	12.21
Technology Hardware and Equipment 14.62% (11.60%)			
193,946	Samsung Electronics	7,712,246	3.71
177,000	Silergy	2,249,622	1.08
96,521	SK Hynix	5,315,747	2.55
1,072,505	Taiwan Semiconductor	15,152,150	7.28
		<hr/>	
		30,429,765	14.62
HEALTH CARE 0.00% (1.51%)			
Health Care Providers 0.00% (1.51%)			
FINANCIALS 26.40% (25.32%)			
Banks 16.33% (18.37%)			
441,219	Al Rajhi Bank	6,986,102	3.36
10,968,400	Bank Central Asia	5,186,152	2.49
48,045	Capitec Bank	3,704,172	1.78
1,001,345	Grupo Financiero Banorte	6,826,023	3.28
1,303,327	ICICI Bank	11,281,097	5.42
37,342	TCS^	–	0.00
		<hr/>	
		33,983,546	16.33
Finance and Credit Services 2.89% (2.40%)			
40,613	Bajaj Finance	2,250,736	1.08
635,450	Chailease	3,756,073	1.81
		<hr/>	
		6,006,809	2.89
Investment Banking and Brokerage Services 3.37% (1.66%)			
195,300	Hong Kong Exchanges and Clearing	7,015,874	3.37
		<hr/>	
Life Insurance 3.81% (2.89%)			
994,799	AIA	7,940,595	3.81
		<hr/>	
CONSUMER DISCRETIONARY 23.99% (23.52%)			
Automobiles and Parts 7.72% (6.73%)			
117,889	Bajaj Auto	4,518,673	2.17
206,500	BYD	4,891,507	2.35
93,372	Contemporary Amperex Technology	4,470,792	2.15
143,190	Shenzhen Kedali Industry	2,182,609	1.05
		<hr/>	
		16,063,581	7.72

MI Somerset Global Emerging Markets Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
Consumer Services 3.54% (1.12%)			
401,410	Localiza Rent a Car	3,426,444	1.65
1,710	Localiza Rent a Car Rights	3,473	0.00
3,700	MercadoLibre	3,945,607	1.89
		7,375,524	3.54
Household Goods and Home Construction 4.48% (4.38%)			
588,215	Midea	3,732,485	1.79
418,000	Techtronic Industries	3,656,983	1.76
302,945	Zhejiang Supor	1,934,467	0.93
		9,323,935	4.48
Personal Goods 0.41% (0.10%)			
39,496	Proya Cosmetics	846,965	0.41
Retailers 3.20% (4.24%)			
375,484	JD.Com	6,663,013	3.20
Travel and Leisure 4.64% (6.95%)			
188,100	Yum China	9,654,084	4.64
CONSUMER STAPLES 14.27% (17.32%)			
Beverages 9.70% (11.45%)			
3,593,200	Budweiser	8,878,460	4.26
47,824	Heineken	4,169,552	2.00
307,807	Wuliangye Yibin	7,150,621	3.44
		20,198,633	9.70
Food Producers 2.23% (2.99%)			
1,398,417	China Mengniu Dairy	4,638,402	2.23
Personal Care, Drug and Grocery Stores 2.34% (2.88%)			
113,133	Clicks	1,328,125	0.64
140,259	Hindustan Unilever	3,542,789	1.70
		4,870,914	2.34
INDUSTRIALS 1.98% (1.97%)			
Construction and Materials 0.59% (0.33%)			
312,299	Beijing Oriental Yuhong Waterproof Technology	1,232,977	0.59
General Industrials 0.00% (1.64%)			
Industrial Support Service 1.39% (0.00%)			
224,285	Milkyway Chemical Supply Chain Service	2,901,653	1.39
BASIC MATERIALS 3.75% (3.79%)			
Industrial Metals and Mining 3.75% (3.79%)			
121,200	Freeport-McMoRan	4,015,787	1.93
294,800	Vale	3,784,999	1.82
		7,800,786	3.75

MI Somerset Global Emerging Markets Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
	ENERGY 2.23% (1.44%)		
	Oil, Gas and Coal 2.23% (1.44%)		
932,300	Petro Rio	4,648,455	2.23
Investment assets		207,014,717	99.45
Net other assets		1,148,804	0.55
Net assets		208,163,521	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 30.09.22.

^These are suspended securities and have been valued at the Manager's best assessment of their fair value.

At the period end the Sub-fund did not hold shares in any other Sub-funds within the MI Somerset Capital Management Investment Funds ICVC.

Total purchases for the period: £38,599,258

Total sales for the period: £93,264,939

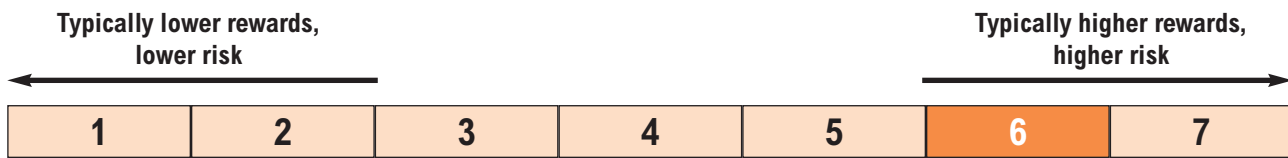
Net Asset Value and Shares in Issue

Class	Net Asset Value	Shares in issue	Net Asset Value per share	Operating Charges [‡]
A Accumulation GBP	£79,404	35,223	225.43p	1.70%
B Income GBP	£845,306	398,835	211.94p	0.95%
B Accumulation GBP	£191,752,813	77,987,934	245.87p	0.95%
B Accumulation USD	\$449,666	389,655	115.40\$c	0.95%
B Accumulation EUR	€22,479	19,304	116.45€c	0.95%
B Accumulation DKK	128,051,557kr.	5,690,549	2250.25øre	0.87%

*Operating charges include indirect costs incurred in the maintenance and running of the Sub-fund, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. The figures used within this table have been calculated by annualising the expenses incurred against the average Net Asset Value for the accounting period.

Risk and Reward Profile

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



The Sub-fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases.

The indicator does not take into account the following risks of investing in this Sub-fund:

- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This means your money is at greater risk.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Sub-fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Sub-fund's performance, potentially reducing your returns.
- For further risk information please see the Prospectus.

Risk warning

An investment in an Investment Company with Variable Capital should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

MI Somerset Global Emerging Markets Fund

Statement of Total Return

for the period ended 31 March 2023

	31.03.23		31.03.22	
	£	£	£	£
Income				
Net capital gains/(losses)		5,899,038		(41,574,758)
Revenue	1,527,111		1,408,365	
Expenses	(1,141,125)		(1,448,309)	
Interest payable and similar charges	–		(57)	
Net revenue/(expense) before taxation	385,986		(40,001)	
Taxation	(717,573)		(498,382)	
Net expense after taxation		(331,587)		(538,383)
Total return before distributions		5,567,451		(42,113,141)
Distributions		(239,573)		–
Change in net assets attributable to Shareholders from investment activities		5,327,878		(42,113,141)

Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 March 2023

	31.03.23		31.03.22	
	£	£	£	£
Opening net assets attributable to Shareholders		257,299,693		333,788,375
Amounts receivable on issue of shares	33,450,532		30,019,239	
Less: Amounts payable on cancellation of shares	(88,152,587)		(22,678,009)	
		(54,702,055)		7,341,230
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		5,327,878		(42,113,141)
Retained distribution on accumulation shares		238,005		–
Closing net assets attributable to Shareholders		208,163,521		299,016,464

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

MI Somerset Global Emerging Markets Fund

Balance Sheet

as at 31 March 2023

	£	31.03.23	£	£	30.09.22	£
ASSETS						
Fixed Assets						
Investments		207,014,717			254,064,312	
Current Assets						
Debtors	1,783,381			812,796		
Cash and bank balances	1,760,994			3,979,188		
Total current assets		3,544,375			4,791,984	
Total assets		210,559,092			258,856,296	
LIABILITIES						
Creditors						
Bank overdrafts	(70,713)			(17,624)		
Distribution payable	(929)			(4,856)		
Other creditors	(2,323,929)			(1,534,123)		
Total creditors		(2,395,571)			(1,556,603)	
Total liabilities		(2,395,571)			(1,556,603)	
Net assets attributable to Shareholders		208,163,521			257,299,693	

MI Somerset Global Emerging Markets Fund

Distribution Tables

for the period ended 31 March 2023

Income Share Distributions

Share class	Distribution	Shares	Net revenue	Equalisation	Distribution payable 2023	Distribution paid 2022
B GBP	Interim	Group 1	0.2328p	–	0.2328p	–
		Group 2	0.1825p	0.0503p	0.2328p	–

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue	Equalisation	Amount reinvested 2023	Amount reinvested 2022
A GBP	Interim	Group 1	–	–	–	–
		Group 2	–	–	–	–
B GBP	Interim	Group 1	0.2752p	–	0.2752p	–
		Group 2	0.2567p	0.0185p	0.2752p	–
B USD	Interim	Group 1	–	–	–	–
		Group 2	–	–	–	–
B EUR	Interim	Group 1	0.1305€ c	–	0.1305€ c	–
		Group 2	0.0718€ c	0.0587€ c	0.1305€ c	–
B DKK	Interim	Group 1	3.4807ore	–	3.4807ore	–
		Group 2 [^]	3.4807ore	–	3.4807ore	–

[^]No Group 2 shares held in this distribution period.

Interim period: 01.10.22 - 31.03.23

Group 1: Shares purchased prior to a distribution period

Group 2: Shares purchased during a distribution period

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents accrued revenue included in the purchase price of the shares. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

Investment Objective and Policy

Investment objective

The Sub-fund seeks to achieve capital appreciation and income growth by mainly investing in an actively managed portfolio of dividend-paying emerging market securities.

Investment policy

The portfolio will consist principally of quoted equity securities, issued by companies established or operating in emerging market countries, principally in Asia, Eastern Europe, the Middle East, Africa and Latin America.

The Sub-fund may also invest at the Investment Manager's discretion in other transferable securities, money market instruments, cash and near cash, depositary receipts, derivative instruments and forward transactions, deposits, and derivatives for the purpose of hedging or efficient portfolio management. The Sub-fund may also invest in shares in other collective investment schemes subject to the limits set out in Appendix 2 of the Prospectus, however, investment by the Sub-fund in other Schemes will be limited to a maximum of 10% of the scheme property of the Sub-fund. Use may also be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted under applicable FCA Rules.

The Company permits the use of derivatives for investment purposes by the Sub-fund, however, this policy is not currently applied and may not be applied without giving the required 60 day notice to Shareholders. If derivatives are used for the purpose of meeting the investment objective of the Sub-fund it is not intended that the use of derivatives would significantly raise the risk profile but this cannot be guaranteed and the risk profile may increase as a result of a change in the investment policy for derivatives.

The Sub-fund is permitted to invest 5% or more of its scheme property in warrants. Such investments may increase the volatility of the Sub-fund and therefore may adversely affect its risk profile.

Investment Manager's Report

for the period ended 31 March 2023

During the 6-month period ending 31 March 2023, the Sub-fund outperformed the MSCI Emerging Markets Total Return Net Index by 4.36%. The Sub-fund's GBP Accumulation Class¹ share price at Net Asset Value (NAV) was up 7.16% in sterling terms whereas the market was up 2.96%.

The 6-month period began with a significant shift in China, where we saw an ongoing rally. Normality continued to return to the country as its zero-Covid policy was wholeheartedly abandoned. We had been slowly adding to our exposure throughout 2022, due to compelling valuations and the likely earnings improvement from a low base. This meant we had significant exposure to China prior to this rebound.

Although we did not have any indication of the speed or timing of any policy reversal, we did not believe China would act very differently to the rest of the world as, post Covid-led restrictions, it returned to a more normal social environment. This is proving to be the case and our view on China remains unchanged as the recovery continues. Chinese Purchasing Managers Index ('PMI') data has become expansionary, with headline services rising from 48.0 to 52.9, a more pronounced rebound than manufacturing data, and during the Lunar New Year holidays consumers started spending again, with an initial recovery in travel and box office revenue. There remains some way to go, as in 2023, compared to pre-pandemic 2019 levels, tourist arrivals recovered to 88.6% and tourism revenue recovered to 73.1%. Passenger journeys recovered to 53.6% and film box office collection recovered to 114.6%, marking the second best Lunar New Year holiday period ever.

The main contributors to Sub-fund outperformance over the period came from our stocks in China and Taiwan. In China, Beijing Kingsoft Office Software rallied 121% over the period and 58% in March 2023 alone. The business reported good quarterly results which demonstrated an improving trend, with revenues expanding 20% over last year and net profit growing 53%. Moreover, management announced technological improvements to the product that will be rolled out over the coming year, such as implementation of a product like ChatGPT, that could increase demand and the percentage of paying subscribers. Post-rally, the stock became the single largest position in the Sub-fund, however, we took the decision to half the position. This is because whilst we believe the long-term fundamentals remain robust, the near-term valuation seems excessive.

In Taiwan, despite recent slowdowns in technology demand, eMemory Technology continues to perform well and the requirement for its high-end solutions is robust, such as the new PUF security product line for cybersecurity. For example, eMemory Technology is working with the US agency Defense Advanced Research Projects Agency ('DARPA') on a security

Investment Manager's Report

continued

solution. In addition, Universal Vision Biotechnology, the laser eye clinic chain, reported strong results for Q4 2022 that indicated revenue growth of 30% and net profit growth of 32%. During a trip to Taiwan, management indicated that 2023 was expected to be a stronger year owing to the removal of Covid restrictions in Taiwan and China. This will facilitate footfall and enable execution of expansion plans that were unable to be implemented in 2022.

Our weighting of both Taiwan and technology remain higher than the index, as they have for some time. While some of the performance has been driven by what appears to be excessive exuberance related to any companies connected to artificial intelligence, we think that the companies we own – more related to the production and assembly of hardware – remain attractive at current valuations.

The main detracting market over the quarter was Brazil. The market has been volatile following the election of President Lula in October 2022 and the macroeconomic environment continues to be weak owing to very high real interest rates dampening demand. Annual inflation in February 2023 slowed to 5.6%, but the Brazilian Central Bank remains focused on its approach to curb inflation further; thus held interest rates at 13.75%. Toward the end of March, the government announced a new fiscal rule to limit spending to 70% of revenues. Broadly speaking, this is a step forward for Lula, who up until now has not declared an interest in controlling government expenditures. If the government remains relatively sensible in its approach and inflation trends continue to decline, then this should pave the way for the Central Bank to begin reducing interest rates, facilitating a resumption in demand. Valuations in Brazil have continued to derate into 2023, with the market trading on 4x Enterprise Value / Earnings Before Interest, Taxes, depreciation and Amortisation ('EV/EBITDA'), a 15 year low, and 7% dividend yield. Where the investment case has not markedly shifted, equities are undoubtedly attractively valued. In the middle of the sell-off over the last 6 months we took the opportunity to broaden our Brazilian exposure, reducing existing holdings and reinvesting the proceeds in Sendas Distribuidora.

Sendas Distribuidora, operating under the brand Assai, is the largest pure cash and carry player in Brazil. Food retail habits are changing globally and Brazil is no exception. Shoppers are generally moving to either the top or bottom end of the price spectrum, choosing to visit premium or discount retailers. Sendas is successfully attracting cost conscious Brazilians via its no frills offering. It's growth will be driven by the conversion of hypermarket stores that it acquired to the cash and carry format in the next 2 years, with an acceleration of store openings and geographical expansion to smaller cities. Its valuation is low relative to other international players, trading at 8x EV/EBITDA (peers range from 7x to 14x). We also believe it is likely to see improved corporate governance as Casino, its parent, reduces its stake due to their own indebtedness, which could lead to a change in the board composition to give majority independence.

Another stock we purchased over the period was Logo Yazilim Sanayi Ve Ticaret, a Turkish Enterprise Resource Planning ('ERP') developer. Logo is the leading Turkish ERP company and specialises in providing software services for Small to Medium sized Enterprises ('SMEs'). Their market share among SMEs is between 50% and 60%, and understanding of local regulation, large distribution network, and pricing power (they are 50% cheaper than SAP) are their competitive advantages. ERP is a sticky business and Logo cites just 3-4% customer churn, even amid price rises of 30% and 50% twice in 2022. The business is highly profitable and cash generative, producing a 30% net margin. The valuation is attractive, with the stock trading on 13.7x earnings for over 70% earnings growth. However, we are mindful of the deteriorating macro environment in Turkey, amid 70%+ inflation whilst interest rates have been kept artificially low at 9%. Twin deficits are also a concern.

Looking forward we are very positive on emerging markets, and particularly with the quality of companies that we own in our portfolio. Ongoing re-orientation of supply chains, diversification and attempts at energy independence, secular growth driven by infrastructure spending and demographic shifts all provide opportunities for long-term growth in emerging markets greater than the developed world and currently at very attractive valuations. While the developed world continues to adjust to the more normalised cost of money, we think emerging markets are better placed to provide the positive returns that investors demand.

¹Net Asset Values of the Accumulation share classes are based on the published single price provided by Maitland Institutional Services Limited, the Sub-fund ACD and Administrator; historical prices for other share classes can be provided on request.

Kumar Pandit & Mark Williams

Co-Lead Managers

19 April 2023

MI Somerset Emerging Markets Dividend Growth Fund

Portfolio Statement

as at 31 March 2023

Holding	Security	Market value £	% of total net assets 2023
TECHNOLOGY 26.07% (28.09%)			
Software and Computer Services 12.21% (17.34%)			
34,000	Aspeed Technology	2,370,186	2.88
38,627	Beijing Kingsoft Office Software	2,154,523	2.62
14,740	IndiaMart Intermesh	729,362	0.89
2,189,591	Locaweb Servicios De Internet	1,677,163	2.04
454,117	Logo Yazilim Sanayi Ve Ticaret	1,264,315	1.54
5,040	Meituan	74,564	0.09
44,300	Tencent	1,763,261	2.15
		10,033,374	12.21
Technology Hardware and Equipment 13.86% (10.75%)			
45,000	eMemory Technology	2,212,606	2.69
20,113	Leeno Industrial	1,792,334	2.18
37,077	SK Hynix	2,041,959	2.49
274,250	Taiwan Semiconductor	3,874,553	4.72
375,000	Unimicron Technology	1,466,125	1.78
		11,387,577	13.86
HEALTH CARE 8.45% (12.03%)			
Health Care Providers 0.00% (2.64%)			
Pharmaceuticals and Biotechnology 8.45% (9.39%)			
1093HK	CSPC Pharmaceutical	1,848,760	2.25
3218TT	Universal Vision Biotechnology	2,583,402	3.15
603259C1	WuXi AppTec	2,506,845	3.05
		6,939,007	8.45
FINANCIALS 19.19% (21.12%)			
Banks 6.47% (9.46%)			
69,840	Bank of Georgia	1,920,600	2.34
53,607,068	Guaranty Trust	1,364,915	1.66
231,200	Kasikornbank	727,661	0.89
43,906	KB Financial	1,301,925	1.58
		5,315,101	6.47
Finance and Credit Services 4.38% (2.20%)			
378,000	Chailease	2,234,315	2.72
52,543	Housing Development Finance	1,361,136	1.66
		3,595,451	4.38
Investment Banking and Brokerage Services 8.34% (9.46%)			
185,325	Angel One	2,119,298	2.58
73,600	Hong Kong Exchanges and Clearing	2,643,975	3.22
34,254	Kaspi KZ JSC	2,089,031	2.54
		6,852,304	8.34

MI Somerset Emerging Markets Dividend Growth Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
	REAL ESTATE 1.90% (0.00%)		
	Real Estate Investment and Services Development 1.90% (0.00%)		
1,585,000	China Overseas Property	1,563,284	1.90
	CONSUMER DISCRETIONARY 19.04% (16.37%)		
	Automobiles and Parts 8.10% (2.84%)		
94,000	BYD	2,226,642	2.71
1,108,000	China Meidong Auto	1,925,008	2.34
164,576	Shenzhen Kedali Industry	2,508,590	3.05
		6,660,240	8.10
	Consumer Services 1.51% (2.16%)		
981,467	Indian Energy Exchange	1,238,571	1.51
	Household Goods and Home Construction 1.92% (2.22%)		
180,500	Techtronic Industries	1,579,152	1.92
	Personal Goods 2.55% (0.00%)		
177,800	Anta Sports Products	2,091,160	2.55
	Retailers 2.09% (6.13%)		
646,624	Lojas Renner	1,712,336	2.09
	Travel and Leisure 2.87% (3.02%)		
31,500	Copa	2,356,058	2.87
	CONSUMER STAPLES 4.39% (3.40%)		
	Beverages 2.55% (3.40%)		
9,752	Kweichow Moutai	2,092,964	2.55
	Personal Care, Drug and Grocery Stores 1.84% (0.00%)		
609,400	Sendas Distribuidora	1,513,390	1.84
	INDUSTRIALS 11.33% (9.77%)		
	Electronic and Electrical Equipment 6.34% (5.77%)		
31,357	Park Systems	2,969,945	3.61
737,446	Zhejiang Sanhua Intelligent Controls	2,239,270	2.73
		5,209,215	6.34
	General Industrials 3.33% (4.00%)		
244,100	Sunreisin New Materials	2,737,745	3.33
	Industrial Support Services 1.66% (0.00%)		
74,300	Headhunter^	–	0.00
105,284	Milkyway Chemical Supply	1,362,096	1.66
		1,362,096	1.66

MI Somerset Emerging Markets Dividend Growth Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
	ENERGY 5.78% (6.98%)		
	Oil, Gas and Coal 5.78% (6.98%)		
2,009,159	ADNOC Drilling	1,744,784	2.12
602,700	Petro Rio	3,005,067	3.66
		<hr/>	
		4,749,851	5.78
		<hr/>	
	Investment assets	78,988,876	96.15
	Net other assets	3,162,306	3.85
		<hr/>	
	Net assets	82,151,182	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 30.09.22.

^This is a suspended security and has been valued at the Manager's best assessment of its fair value.

At the period end the Sub-fund did not hold shares in any other Sub-funds within the MI Somerset Capital Management Investment Funds ICVC.

Total Purchases for the period: £18,577,007

Total Sales for the period: £29,478,370

MI Somerset Emerging Markets Dividend Growth Fund

Net Asset Value and Shares in Issue

Class	Net Asset Value	Shares in issue	Net Asset Value per share	Operating Charges [‡]
A Income GBP	£13,370,533	11,167,907	119.72p	1.24%
A Accumulation GBP	£57,734,872	35,675,317	161.83p	1.24%
B Income EUR	€15,018	18,785	79.95€c	1.24%
B Accumulation EUR	€201,073	129,260	155.56€c	1.24%
B Income USD	\$160,119	206,675	77.47\$c	1.24%
B Accumulation USD	\$64,978	56,541	114.92\$c	1.24%
B Accumulation AUD	\$289,477	260,518	111.12\$c	1.24%
C Accumulation AUD	\$19,379,244	10,605,406	182.73\$c	0.00%

*Operating charges include indirect costs incurred in the maintenance and running of the Sub-fund, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. The figures used within this table have been calculated by annualising the expenses incurred against the average Net Asset Value for the accounting period.

Risk and Reward Profile

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

Typically lower rewards, lower risk			Typically higher rewards, higher risk					
←	1	2	3	4	5	6	7	→

This Sub-fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Sub-fund:

- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This means your money is at greater risk.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Sub-fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Sub-fund's performance, potentially reducing your returns.
- For further information please see the Prospectus.

Risk warning

An investment in an Investment Company with Variable Capital should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

MI Somerset Emerging Markets Dividend Growth Fund

Statement of Total Return

for the period ended 31 March 2023

	31.03.23		31.03.22	
	£	£	£	£
Income				
Net capital gains/(losses)		6,281,670		(22,816,724)
Revenue	503,173		1,312,003	
Expenses	(463,601)		(754,848)	
Interest payable and similar charges	(6)		–	
Net revenue before taxation	39,566		557,155	
Taxation	57,428		(591,690)	
Net revenue/(expense) after taxation		96,994		(34,535)
Total return before distributions		6,378,664		(22,851,259)
Distributions		(437,198)		(546,607)
Change in net assets attributable to Shareholders from investment activities		5,941,466		(23,397,866)

Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 March 2023

	31.03.23		31.03.22	
	£	£	£	£
Opening net assets attributable to Shareholders		85,336,150		170,324,059
Amounts receivable on issue of shares	2,850,364		4,594,844	
Less: Amounts payable on cancellation of shares	(12,322,117)		(43,872,512)	
		(9,471,753)		(39,277,668)
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		5,941,466		(23,397,866)
Retained distribution on accumulation shares		345,319		338,673
Closing net assets attributable to Shareholders		82,151,182		107,987,198

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

MI Somerset Emerging Markets Dividend Growth Fund

Balance Sheet

as at 31 March 2023

	31.03.23		30.09.22	
	£	£	£	£
ASSETS				
Fixed Assets				
Investments		78,988,876		83,422,704
Current Assets				
Debtors	469,046		960,233	
Cash and bank balances	3,872,618		1,810,611	
Total current assets		4,341,664		2,770,844
Total assets		83,330,540		86,193,548
LIABILITIES				
Creditors				
Bank overdrafts	(434,833)		(102,744)	
Distribution payable	(65,287)		(182,516)	
Other creditors	(679,238)		(572,138)	
Total creditors		(1,179,358)		(857,398)
Total liabilities		(1,179,358)		(857,398)
Net assets attributable to Shareholders		82,151,182		85,336,150

MI Somerset Emerging Markets Dividend Growth Fund

Distribution Tables

for the period ended 31 March 2023

Income Share Distributions

Share class	Distribution	Shares	Net revenue	Equalisation	Distribution payable 2023	Distribution paid 2022
A GBP	Interim	Group 1	0.5784p	–	0.5784p	0.4819p
		Group 2	0.3271p	0.2513p	0.5784p	0.4819p
B EUR	Interim	Group 1	0.3866€ c	–	0.3866€ c	0.3350€ c
		Group 2	0.2692€ c	0.1174€ c	0.3866€ c	0.3350€ c
B USD	Interim	Group 1	0.3751\$c	–	0.3751\$c	0.3325\$c
		Group 2^	0.3751\$c	–	0.3751\$c	0.3325\$c

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue	Equalisation	Amount reinvested 2023	Amount reinvested 2022
A GBP	Interim	Group 1	0.7792p	–	0.7792p	0.6439p
		Group 2	0.3529p	0.4263p	0.7792p	0.6439p
B EUR	Interim	Group 1	0.7500€ c	–	0.7500€ c	0.6416€ c
		Group 2^	0.7500€ c	–	0.7500€ c	0.6416€ c
B USD	Interim	Group 1	1.1899\$c	–	1.1899\$c	0.4353\$c
		Group 2^	1.1899\$c	–	1.1899\$c	0.4353\$c
B AUD	Interim	Group 1	0.5359\$c	–	0.5359\$c	–
		Group 2^	0.5359\$c	–	0.5359\$c	–
C AUD	Interim	Group 1	1.1326\$c	–	1.1326\$c	0.9948\$c
		Group 2	0.5805\$c	0.5521\$c	1.1326\$c	0.9948\$c

^No group 2 shares held in this distribution period.

Interim period: 01.10.22 - 31.03.23

Group 1: Shares purchased prior to a distribution period

Group 2: Shares purchased during a distribution period

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents accrued revenue included in the purchase price of the shares. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

Investment Objective and Policy

Investment objective

The Sub-fund seeks to outperform the MSCI Emerging Markets SMID Index (with net dividends reinvested) over a 5 year period by investing at least 80% (but usually significantly more) in an actively managed portfolio of smaller and mid cap emerging and frontier market securities.

There is no guarantee that this return will be achieved and investors should note that capital is at risk.

Investment policy

The portfolio will consist principally of quoted equity securities, issued by companies established or operating in emerging and frontier market countries, principally in Asia, Eastern Europe, the Middle East, Africa and Latin America and whose market capitalisation does not generally exceed US\$ 15 billion at the time of the initial investment.

The Investment Manager uses detailed research to seek to discover the best investment opportunities considering each company's specific circumstances.

The Sub-fund may also invest at the Investment Manager's discretion in other transferable securities, money market instruments, cash and near cash, depositary receipts, derivative instruments and forward transactions, deposits, and derivatives for the purpose of hedging or efficient portfolio management. The Sub-fund may also invest in shares in other collective investment schemes subject to the limits set out in Appendix 2 in the Prospectus, however, investment by the Sub-fund in other Schemes will be limited to a maximum of 10% of the scheme property of the Sub-fund. Use may also be made of stocklending, borrowing, cash holdings, hedging and other investment techniques permitted under applicable FCA Rules.

The Company permits the use of derivatives for investment purposes by the Sub-fund, however, this policy is not currently applied and may not be applied without giving the required 60 day notice to Shareholders. If derivatives are used for the purpose of meeting the investment objective of the Sub-fund it is not intended that the use of derivatives would significantly raise the risk profile but this cannot be guaranteed and the risk profile may increase as a result of a change in the investment policy for derivatives.

The Sub-fund is permitted to invest no more than 5% of its scheme property in warrants. Such investments may increase the volatility of the Sub-fund and therefore may adversely affect its risk profile.

Investment Manager's Report

for the period ended 31 March 2023

The Sub-fund outperformed by 3.11% against the MSCI Emerging Markets Index during the 6 months to 31 March 2023. The Sub-fund's Accumulation Class¹ share price at NAV rose by 6.07% in sterling terms whereas the MSCI Emerging Markets Index rose by 2.96%.

The 6-month period began with a significant shift in China, where we saw an ongoing rally. Normality continued to return to the country as its zero-Covid policy was wholeheartedly abandoned. Over 2023 the economy has gradually begun to pick up. Businesses exposed to going out – drinking and dining – have seen a recovery in trade with volumes close to pre-pandemic levels. Other companies, more exposed to big ticket items like autos and appliances, are saying the recovery will start in the second half of the year. Our conversations with management teams suggest there is more growth to come from corporate earnings, albeit the recovery will be lumpy.

The main contributors to Sub-fund outperformance over the 6-month period came from our financial companies including Qualitas Controladora, the Mexican insurer, and Bank of Georgia, the leading Georgian bank. Bank of Georgia continues to perform strongly despite geopolitical tensions and rallied on strong Q4 results and the announcement of a share buyback. Mexican equities have benefitted from a strengthening peso and the continued potential of nearshoring as geopolitical tensions between China and the US remain. In China, AIA (life insurance provider) and China Overseas Property (the property management company) have had strong returns. China Overseas Property continues to have positive returns in contrast to its peers due to its recurring revenue streams and strong cash flow generation.

Investment Manager's Report

continued

We have continued to find attractive bottom-up opportunities in China and added a new holding to the Sub-fund, Milkyway Chemical Supply Chain Service, the private chemical logistics company. Milkyway should benefit from an increasing usage of outsourced chemical logistics, which is low at 26% compared to nearer 80% in developed markets. This will hinge on tightening environmental and safety regulations, which drives increased outsourcing. We also believe Milkyway will gain share, where it only expects to make RMB 7bn of revenue this year out of a RMB 250bn addressable market. This is probable as it is a well-run private player that mainly competes against SOEs who are not incentivised to grow in hazardous chemical logistics. Milkyway has licensing barriers in storage which are hard to challenge with high switching costs, which creates a tight supply/demand dynamic that provides pricing power. The competitive dynamic also applies to potential consolidation, where Milkyway is the key (and often only) buyer in this industry and can execute in a value accretive way. The added optionality here is the chemical commerce business, where it is doubling every year and given low penetration can continue to do so for some years. Management targets 40% earnings growth annually for the next three years.

Looking forward, valuations in Emerging Markets and China remain supportive when global macro-economic conditions turn. We expect to see Chinese stocks perform strongly as the economic cycle in China gathers momentum towards the end of this year and into 2024.

¹Net Asset values of the Accumulation shares classes are based on the published single price provided by Maitland Institutional Services Limited, the Sub-fund ACD and Administrator; historical prices for other share classes can be provided on request.

Edward Robertson
Interim Portfolio Manager
19 April 2023

MI Somerset Emerging Markets Discovery Fund

Portfolio Statement

as at 31 March 2023

Holding	Security	Market value £	% of total net assets 2023
	TECHNOLOGY 14.19% (0.00%)		
	Software and Computer Services 4.69% (4.85%)		
2,538	11 Bit Studios	317,638	2.69
5,185	Persistent Systems	235,537	2.00
		<hr/>	
		553,175	4.69
	Technology Hardware and Equipment 9.50% (6.69%)		
35,995	Advantech	353,968	3.00
3,000	Ememory Technology	147,507	1.25
5,077	Leeno Industrial	452,428	3.83
6,000	Parade Technologies	166,989	1.42
		<hr/>	
		1,120,892	9.50
	TELECOMMUNICATIONS 4.10% (0.00%)		
	Telecommunications Service Providers 4.10% (4.46%)		
177,560	FPT	483,776	4.10
	HEALTH CARE 7.67% (9.81%)		
	Health Care Providers 3.49% (2.76%)		
8,148	Mouwasat Medical Services	411,293	3.49
	Pharmaceuticals and Biotechnology 4.18% (7.05%)		
16,304	Ajanta Pharma	193,685	1.64
304,100	Mega Lifesciences	299,771	2.54
		<hr/>	
		493,456	4.18
	FINANCIALS 12.66% (15.68%)		
	Banks 4.74% (3.53%)		
20,308	Bank of Georgia	558,470	4.74
788,129	Security Bank Preferred Shares^	–	0.00
		<hr/>	
		558,470	4.74
	Finance and Credit Services 4.36% (3.41%)		
45,000	Chailease	265,990	2.25
140,069	Repcos Home Finance	248,419	2.11
		<hr/>	
		514,409	4.36
	Investment Banking and Brokerage Services 0.00% (5.20%)		
	Non-life Insurance 3.56% (3.54%)		
81,184	Qualitas Controladora	419,661	3.56
	REAL ESTATE 12.87% (8.29%)		
	Real Estate Investment and Services Development 12.87% (8.29%)		
678,000	China Overseas Property	668,710	5.66
79,575	Corporacion Inmobiliaria Vesta	202,472	1.72
164,638	EZ Tec Empreendimentos e Participacoes	320,667	2.72
35,553	Macrotech Developers	326,343	2.77
		<hr/>	
		1,518,192	12.87

MI Somerset Emerging Markets Discovery Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
	CONSUMER DISCRETIONARY 15.40% (13.47%)		
	Automobiles and Parts 1.92% (1.72%)		
130,000	China Meidong Auto	225,858	1.92
	Consumer Services 2.02% (0.00%)		
145,963	BLS International Services	238,422	2.02
	Household Goods and Home Construction 5.91% (5.86%)		
33,000	Nien Made Enterprise	286,029	2.42
64,393	Zhejiang Supor	411,184	3.49
		697,213	5.91
	Leisure Goods 2.28% (2.20%)		
1,165	NCSOFT	269,330	2.28
	Retailers 3.27% (3.69%)		
25,551	Poya International	386,038	3.27
	CONSUMER STAPLES 11.36% (16.78%)		
	Beverages 5.15% (5.08%)		
68,800	Heineken Malaysia	336,440	2.85
30,500	Sichuan Swellfun	270,936	2.30
		607,376	5.15
	Personal Care, Drug and Grocery Stores 6.21% (11.70%)		
36,614	Clicks	429,830	3.65
4,116	Dino Polska	302,261	2.56
		732,091	6.21
	INDUSTRIALS 15.56% (9.09%)		
	Construction and Materials 3.13% (6.59%)		
116,554	Beijing New Building Materials	368,900	3.13
	Electronic and Electrical Equipment 6.45% (2.50%)		
5,124	Park Systems	485,314	4.12
57,700	Wuxi Lead Intelligent Equipment	275,365	2.33
		760,679	6.45
	Industrial Engineering 3.29% (0.00%)		
117,200	Estun Automation	387,806	3.29
	Industrial Support Service 2.69% (0.00%)		
24,498	Milkyway Chemical Supply Chain Service	316,939	2.69
	BASIC MATERIALS 2.19% (3.95%)		
	Chemicals 2.19% (3.95%)		
11,523	RHI Magniesta	257,885	2.19

MI Somerset Emerging Markets Discovery Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2023
	ENERGY 2.05% (0.00%)		
	Oil, Gas and Coal 2.05% (0.00%)		
48,500	Petro Rio	241,821	2.05
	UTILITIES 1.45% (1.95%)		
	Waste and Disposal Services 1.45% (1.95%)		
39,000	Sunny Friend Environmental Technology	170,567	1.45
	Investment assets	11,734,249	99.50
	Net other assets	59,089	0.50
	Net assets	11,793,338	100.00

All investments are ordinary shares or stock units on a regulated securities market unless otherwise stated. The percentages in brackets show the equivalent % holdings as at 30.09.22.

^This is a suspended security and has been valued at the Manager's best assessment of its fair value.

At the period end the Sub-fund did not hold shares in any other Sub-funds within the MI Somerset Capital Management Investment Funds ICVC.

Total purchases for the period: £2,815,098

Total sales for the period: £2,995,176

MI Somerset Emerging Markets Discovery Fund

Net Asset Value and Shares in Issue

Class	Net Asset Value	Shares in issue	Net Asset Value per share	Operating Charges [‡]
A Income GBP	£325,012	356,107	91.27p	0.93%
A Accumulation GBP	£8,582,587	9,116,188	94.15p	0.93%
A Accumulation EUR	€726,239	599,135	121.21€c	0.93%
A Accumulation USD	\$2,719,062	3,339,582	81.42\$c	0.93%
B Accumulation GBP	£44,352	52,487	84.50p	0.93%

*Operating charges include indirect costs incurred in the maintenance and running of the Sub-fund, as disclosed (but not limited to) the detailed expenses within the Statement of Total Return. The figures used within this table have been calculated by annualising the expenses incurred against the average Net Asset Value for the accounting period.

Risk and Reward Profile

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



The Sub-fund is ranked at 6 because funds of this type have experienced high rises and falls in value in the past. Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. The indicator does not take into account the following risks of investing in this Sub-fund:

- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This means your money is at greater risk.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Sub-fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Sub-fund's performance, potentially reducing your returns.
- For further risk information please see the Prospectus.

Risk warning

An investment in an Investment Company with Variable Capital should be regarded as a medium to long-term investment. Investors should be aware that the price of shares and the revenue from them can fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency are subject to fluctuation in exchange rates, which can be favourable or unfavourable.

MI Somerset Emerging Markets Discovery Fund

Statement of Total Return

for the period ended 31 March 2023

	31.03.23		31.03.22	
	£	£	£	£
Income				
Net capital gains/(losses)		533,204		(852,172)
Revenue	78,587		125,897	
Expenses	(87,348)		(85,649)	
Interest payable and similar charges	(193)		(8)	
Net (expense)/revenue before taxation	(8,954)		40,240	
Taxation	(1,475)		(48,677)	
Net expense after taxation		(10,429)		(8,437)
Total return before distributions		522,775		(860,609)
Distributions		(874)		(26,571)
Change in net assets attributable to Shareholders from investment activities		521,901		(887,180)

Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 March 2023

	31.03.23		31.03.22	
	£	£	£	£
Opening net assets attributable to Shareholders		11,823,681		10,625,750
Amounts receivable on issue of shares	1,787,437		10,191,882	
Less: Amounts payable on cancellation of shares	(2,339,681)		(3,060,191)	
		(552,244)		7,131,691
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		521,901		(887,180)
Retained distributions on accumulation shares		–		25,898
Closing net assets attributable to Shareholders		11,793,338		16,896,159

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

MI Somerset Emerging Markets Discovery Fund

Balance Sheet

as at 31 March 2023

	31.03.23		30.09.22	
	£	£	£	£
ASSETS				
Fixed Assets				
Investments		11,734,249		11,234,748
Current Assets				
Debtors	118,597		830,968	
Cash and bank balances	44,285		638,064	
Total current assets		162,882		1,469,032
Total assets		11,897,131		12,703,780
LIABILITIES				
Creditors				
Bank overdrafts	(6,300)		(6,562)	
Distribution payable	–		(3,089)	
Other creditors	(97,493)		(870,448)	
Total creditors		(103,793)		(880,099)
Total liabilities		(103,793)		(880,099)
Net assets attributable to Shareholders		11,793,338		11,823,681

MI Somerset Emerging Markets Discovery Fund

Distribution Tables

for the period ended 31 March 2023

Income Share Distributions

Share class	Distribution	Shares	Net revenue	Equalisation	Distribution payable 2023	Distribution paid 2022
A GBP	Interim	Group 1	–	–	–	0.1918p
		Group 2	–	–	–	0.1918p

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue	Equalisation	Amount reinvested 2023	Amount reinvested 2022
A GBP	Interim	Group 1	–	–	–	0.1764p
		Group 2	–	–	–	0.1764p
A EUR	Interim	Group 1	–	–	–	0.1672€ c
		Group 2	–	–	–	0.1672€ c
A USD	Interim	Group 1	–	–	–	0.1093\$c
		Group 2	–	–	–	0.1093\$c
B GBP	Interim	Group 1	–	–	–	0.1747p
		Group 2	–	–	–	0.1747p

Interim period: 01.10.22 - 31.03.23

Group 1: Shares purchased prior to a distribution period

Group 2: Shares purchased during a distribution period

Equalisation

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents accrued revenue included in the purchase price of the shares. After averaging, it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

MI Somerset Capital Management Investment Funds ICVC

General Information

Authorised Status

MI Somerset Capital Management Investment Funds ICVC (the 'Company') is structured as an Investment Company with Variable Capital ('ICVC'), under regulation 12 (Authorisation) of the OEIC Regulations (Open-Ended Investment Companies Regulations 2001 (SI 2001/1228)).

The Company does not intend to have an interest in immovable property.

The Company is authorised and regulated in the UK by the Financial Conduct Authority ('FCA') as a UCITS Retail Scheme and 'Umbrella Company' under the COLL Sourcebook.

The Company was incorporated in England and Wales on 17 October 2008 under registration number IC000713. The Shareholders are not liable for the debts of the Company.

The Company currently has 3 Sub-funds, which are detailed below:

MI Somerset Global Emerging Markets Fund (Launched 17.11.2008)

MI Somerset Emerging Markets Dividend Growth Fund (Launched 29.03.2010)

MI Somerset Emerging Markets Discovery Fund (Launched 30.10.2019)

Head Office

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Address for Service

The Head Office is the address in the United Kingdom for service on the Company of notices or other documents required or authorised to be served on it.

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000. Shares in the Company have no par value. The share capital of the Company at all times equals the sum of the Net Asset Value of the Sub-fund.

Classes of Shares

The Instrument of Incorporation allows each Sub-fund to issue different classes of shares in respect of any Sub-fund.

The Sub-funds currently have the following classes of shares available for investment:

Sub-fund	Share Class																			
	A GBP		B GBP		A USD		B USD		A EUR		B EUR		B AUD		B DKK		B SGD		C AUD	
	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc	Inc	Acc
MI Somerset Global Emerging Markets Fund	-	✓	✓	✓	-	-	✓*	✓	-	-	✓*	✓	-	-	-	✓	-	-	-	-
MI Somerset Emerging Markets Dividend Growth Fund	✓	✓	-	-	-	-	✓	✓	-	-	✓	✓	-	✓	-	-	-	✓*	✓*	✓
MI Somerset Emerging Markets Discovery Fund	✓	✓	-	✓	-	✓	-	-	-	✓	-	-	-	-	-	-	-	-	-	-

*These share classes have no investment at the date of this report.

The Company may issue both Income and Accumulation Shares.

Holders of Income shares are entitled to be paid the revenue attributable to such shares in respect of each annual accounting period in the currency of the relevant share class.

Holders of Accumulation shares are not entitled to be paid the revenue attributable to such shares, but that revenue is retained and accumulated for the benefit of Shareholders and is reflected in the price of shares.

General Information

continued

Valuation Point

The scheme property of the Company and each Sub-fund will normally be valued at 12:00 on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

For the purpose of the pricing of shares, a business day is defined as a day on which the dealing office of the ACD is open for the buying and selling of shares. The ACD may at any time during a business day carry out an additional valuation of the property of the Fund if the ACD considers it desirable to do so, with the Depositary's approval.

Buying, Redeeming and Switching of Shares

The ACD will accept orders for the purchase, sale and switching of shares on normal business days between 08:30 and 16:30. Instructions to buy or sell shares may either be in writing to:

Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

Or by telephone to:

0345 026 4282

The ACD has the right to establish facilities for recording telephone calls made or received on this telephone line.

A contract note giving details of the shares purchased will be issued no later than the next business day after the business day on which an application to purchase shares is received and instrumented by the ACD. Certificates will not be issued in respect of shares. Ownership of shares will be evidenced by an entry on the register of Shareholders.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-fund which represents the Net Asset Value of the Sub-fund concerned. The share price is calculated on a forward pricing basis, that is at the next Valuation Point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on www.maitlandgroup.com. Neither the Company nor the ACD can be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected at the office of the Company which is also the Head Office of the Company. Copies may be obtained free of charge upon application. They are also available from the website of the Company, the details of which are given in the directory of this report.

Shareholders who have complaints about the operation of the Company should in the first instance contact the ACD, or, following that, may make their complaint direct to the Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Significant Information

The ACD has assessed the Russia-Ukraine war implications and although the Company has no direct exposure to Russian or Ukrainian assets the crisis has and will have a wider impact in terms of market performance.

Risk Warning

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Maitland Institutional Services Limited

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