MI Sonoma Investment Fund

Value Assessment 2026

Reporting End Period 31st December 2025

Introduction to the ACD Assessment of Value

The ACD is required to provide an annual statement for the Company attesting that; in the opinion of the ACD; "The costs of associated services provided to the Company under the appointment or oversight of the ACD and any other fees chargeable to the scheme property, represent value for money taking into account the criteria as set out by the Regulator under COLL 6.6.20R".

Value Assessment Criteria

AFM Costs

In relation to each charge, the cost of providing the service to which the charge relates, and when money is paid directly to associates or external parties, the cost is the amount paid to that person.

(It should be noted that the fees charged to the Fund by or on behalf of Apex Fundrock Limited acting in its capacity as the Authorised Fund Manager, are "unbundled" and set out separately in the scheme Prospectus. Together these fees make up the "AFM Costs".

The ACD has examined each of the component costs that make up the overall AFM Costs of the highest fee bearing invested share class and has applied the following criteria as set out by the FCA in the Regulations).

Quality of Service

The range and quality of services provided to shareholders.

Performance

The performance of the scheme, after deduction of all payments out of scheme property as set out in the Prospectus

Performance should be considered over an appropriate timescale, having regard to the scheme's investment objectives, policy, and strategy.

Economies of Scale

Whether the ACD is able to achieve savings and benefits from economies of scale, relating to the direct and indirect costs of managing the scheme property and taking into account the value of the scheme property and whether it has grown or contracted in size as a result of the sale and redemption of units.

Comparable Market Rates

In relation to each service, the market rate for any comparable service provided:

by the ACD; or

to the ACD or on its behalf including by a person to which any aspect of the scheme's management has been delegated.

Comparable Services

In relation to each separate charge, the AFM's charges, and those of its associates for comparable services provided to clients, including for institutional mandates of a comparable size, and having similar investment objectives and policies.

Classes of Shares

Whether it is appropriate for shareholders to hold units in classes subject to higher charges than those applying to other classes of the same scheme with substantially similar rights.

AFM Costs - Fees & Services Chargeable to the Fund

Fees and Services of the Authorised Corporate Director

- FundRock Partners Limited is the FCA Authorised Corporate Director of the Fund (ACD) responsible for the set-up, management, and wind-up of the Fund under the Regulations.
- The ACD is responsible for ensuring that all aspects of the Fund are appropriately and properly managed and for the oversight of any and all third parties delegated by the ACD to provide services to the Fund.
- The services of the ACD are subject to a tightly defined Service Level Agreement and Key Performance Indicators which are used to assess the quality and performance of the ACD.
- The ACD fees are regularly reviewed against comparable market rates for a professional ACD for hire providing comparable services taking into account the complexity and risk profile of the Funds.
- The ACD's fees are clearly set out in the scheme documentation and are tiered based on the overall value of the Funds to reflect economies of scale. All investors in the Fund share equally in these economies of scale across all classes of units.

The Assessment of Value in respect of the services rendered to the Fund by the ACD is as follows:

Quality of Service:	Good
Performance (of Duties):	Good
Cost Of Service:	Competitive
Economies of Scale:	Good Value – All Investors Benefit Equally
Comparable Market Rates:	Competitive
Comparable Services:	Competitive
Classes of Units:	Competitive

AFM Costs - Fees & Services Chargeable to the Fund (continued)

Fees and Services of the Fund Administrator

- The Fund Administrator, Apex Fundrock Ltd is responsible for the administration and record-keeping of the Fund including, but not limited to, the calculation of the daily Net Asset Valuation; the preparation of the Annual Report and Accounts and Interim Financial Statements; the maintenance of the Shareholder Register; the administration of Investor Subscription and Redemptions and the provision of an on-line and telephone enquiry service for investors and their advisers.

- The services of the Fund Administrator are subject to a tightly defined Service Level Agreement and Key Performance Indicators which are used to assess the quality and performance of the ACD.

- The Fund Administration fees are regularly reviewed by the ACD against comparable market rates for a professional Fund Administrator for hire providing comparable services, taking into account the complexity and risk profile of the Funds.

- The Fund Administration fees are clearly set out in the scheme documentation and are tiered based on the overall value of the Fund to reflect economies of scale. All investors in the Fund share equally in these economies of scale across all classes of units.

The ACD's Assessment of Value in respect of the Fund Administration services rendered to the Fund is as follows:

Quality of Service:	Good
Performance (of Duties):	Good
Cost Of Service:	Competitive
Economies of Scale:	Good Value – All Investors Benefit Equally
Comparable Market Rates:	Competitive
Comparable Services:	Competitive
Classes of Units:	Competitive

AFM Costs - Fees & Services Chargeable to the Fund (continued)

Fees and Services of the Depositary and Custodian

- The Depositary, Northern Trust Investor Services Limited, is responsible for the safekeeping of the assets of the Fund, for the monitoring of cash flows, and for the appointment and oversight of the Custodian who is responsible for the safekeeping of the assets of the Fund in physical or electronic form in the markets in which the Fund invests. The Custodian is also responsible on behalf of the Fund for the collection of income and dividends, the processing of corporate actions and the reclaim of tax under any applicable double taxation treaties.

- The services of the Depositary and Custodian are subject to a tightly defined Service Level Agreement and Key Performance Indicators which are used by the ACD to assess the quality and performance of the Depositary and Custodian.

- The Depositary and Custody fees are regularly reviewed by the ACD against comparable market rates for a professional Depositary for hire providing comparable services, taking into account the complexity and risk profile of the Funds.

- The Depositary and Custody fees are clearly set out in the scheme documentation and are tiered based on the overall value of the Fund to reflect economies of scale. All investors in the Fund share equally in these economies of scale across all classes of units.

The ACD's Assessment of Value in respect of the services rendered to the Fund by the Depositary and Custodian is as follows:

Quality of Service:	Good
Performance (of Duties):	Good
Cost Of Service:	Competitive
Economies of Scale:	Good Value – All Investors Benefit Equally
Comparable Market Rates:	Competitive
Comparable Services:	Competitive
Classes of Units:	Competitive

AFM Costs - Fees & Services Chargeable to the Fund (continued)

Fees and Services of the Auditor

- The Fund Auditor Grant Thornton UK LLP, is appointed by the ACD.
- The appointment of the Auditor is reviewed annually.
- The Auditor fees are reviewed annually by the ACD against comparable market rates for a professional Fund Auditor for hire providing comparable services, taking into account the complexity and risk profile of the Funds.
- The Auditor fees are clearly set out in the scheme documentation and are provided to the Fund as part of an overall contract to provide Auditor services to this Fund and other schemes under the management of the ACD, enabling Fund investors to take advantage from the overall economies of scale so afforded, irrespective of share class.

The ACD's Assessment of Value in respect of Auditor services rendered to the Fund is as follows:

Quality of Service:	Good
Performance (of Duties):	Good
Cost Of Service:	Competitive
Economies of Scale:	Good Value – All Investors Benefit Equally
Comparable Market Rates:	Competitive
Comparable Services:	Competitive
Classes of Units:	Competitive

Fees and Services of the Investment Manager

- The Investment Management function is delegated by the ACD to Sonoma Partners Ltd an FCA authorised professional investment management firm.
- The Investment Manager is responsible for the management and investment of the assets within the Fund in accordance with the Investment Objective and Policy as set out in the scheme documentation.
- The Investment Manager provides an active investment management service consistent with the Investment Policy and Objectives set out within the scheme documentation.
- The ACD reviews the services of the Investment Manager, including detailed due diligence of their policies, processes, procedures, and controls on an on-going basis.
- The fees of the Investment Manager represent the largest cost to the Company, are clearly set out within the scheme documentation and are consistent with the market rates for other professional investment managers for hire providing comparable services for similar Fund types.
- The Investment Management fees vary by share class reflecting the size of the minimum investment into that share class, with the objective of providing economies of scale for larger investors. It is the opinion of the ACD that smaller investors benefit significantly from the economies of scale that accrue to the Fund based on the scale of investment provided by institutional investors and that Fund costs are proportionately reduced for all investors due to the high value of institutional investment in the Fund and that lower fee-paying share classes for larger investors are appropriate and fully justified.

In relation to the general services provided by the Investment Manager the ACD has made the following assessment:

Quality of Service:	Good
Performance (of Duties):	Good
Cost Of Service:	Competitive
Economies of Scale:	Good Value – All Investors Benefit Equally
Comparable Market Rates:	Competitive
Comparable Services:	Competitive
Classes of Units:	Competitive

Fund Performance

Overview of the criteria used to assess Value regarding Fund Performance

- One of the key challenges for the ACD in making an overall assessment of value which considers performance is the fact that the quantum of performance, positive or negative, is likely to significantly outweigh the percentage costs of the services provided to the Funds described in this Value Assessment.
- To provide an objective measure of performance and value the ACD has adopted the following methodology. The performance of the Fund has been assessed based on the Fund's position within its elected Investment Association Fund sector over 1, 3 and 5 years if applicable.
- Funds that are in the top 50th percentile of their chosen sector would typically be rated as "Good" value; Funds in the 50th-75th quartile as "Fair" value, and Funds that are in the lower quartile as "Poor" value. However, the ACD will also take into account whether or not the Fund has met its stated investment objectives, such as performance against CPI or other comparator irrespective of its sector ranking.
- Funds that have met their stated Investment Objectives, where the objective is empirical and measurable will be assessed as being "Good Value" regardless of sector ranking.
- Fund performance is assessed after the deduction of all charges and is based on the primary share class.
- The ACD has included information relating to the Investment Objective and Policy of the Fund, the Fund's past performance and the Fund's risk profile, for the highest charging invested share class.

MI Sonoma Investment Fund

Sub-Fund Overall Value Assessment score 31st December 2025

The ACD has produced an overall assessment of value for the sub-fund taking into account the value provided across all the services that underpin the management and operation of the sub-fund, using the criteria set out in the Regulations and described in this document. The performance of the sub-fund is a significant factor in the derivation of this assessment. However, while the assessment of value is not solely driven by performance, funds that are consistently poor performers over time when compared against funds with a similar investment outlook, are likely to be graded as "poor value".

Overall Score	**Good**

Quality of Service	Good
Economies of Scale	Good
Comparable Market Rates	Good
AFM Costs	Good
Classes of Units	Good
Fund Performance	Good

Sub-Fund Performance 31st December 2025

The MI Sonoma Investment Fund has a stated objective of achieving a return of +5% over the UK CPI over a five-year period. The surge in CPI inflation in the UK and the rest of the World in 2022 and 2023 has meant that all funds with UK CPI targets have struggled to meet their objectives. Inflation has now fallen close to the Bank of England's 2% remit but the high rates in prior years have meant that the five year objective is very challenging (the Fund has beaten the CPI objective over one and three years). As a result, we believe that a Value Assessment should consider how the Fund has performed relative to comparable funds (IA Mixed Assets 40-85% equities). When this comparison is made the Fund has performed in line over the last 12 months, outperformed over 3 years and over 5 years is slightly behind the median fund.

1 Year	Good
3 Years	Good
5 Years	Fair

Investors should recognise that the Fund is actively managed and is SRRI risk rated 5 and that short-term market volatility can affect the performance over all time periods positively or negatively. Every fund will have periods of weak performance, and this should also be considered when investing in any fund.

The Investment Manager has made the following commentary in respect of the performance of the Fund:

General Market Commentary & Outlook

The MI Sonoma Investment Fund gave a total return of 11.8% over the 12 month period to the end of December 2025 (F Accumulation, published share price).

Despite a mixed global economic backdrop through the third quarter of 2025, persistent inflation concerns and cautious investor sentiment, global equity markets had a strong quarter, including in the UK. The markets' strong showing occurred despite a backdrop of continuing domestic and global uncertainty. Global political flashpoints such as Gaza and Ukraine continued unabated with the ongoing risk of escalation in both. Trump's tariff policy appears to have alienated India, pushing them closer to Russia and China but this quarter has seen the EU agree a trade treaty with the US lowering overall tariffs (but with higher tariffs in many areas as that which the US has agreed with the UK). US political turmoil continued with the shooting of Charlie Kirk emphasising the stark split within US politics. The ongoing dispute regarding the independence of the Federal Reserve with President Trump publicly attempting to strongarm Powell into doing his bidding is another example of how Trump's outlook and methods add to US divisions.

Domestically, economic uncertainty grew as the UK Budget approached on 26 November. It was widely reported that the Office for Budget Responsibility was set to substantially downgrade its forecasts for productivity and economic growth before the Budget. This meant the Chancellor would have to choose between: breaking her manifesto pledges by raising one of income tax, VAT or employees' national insurance; look elsewhere for taxes to raise significantly; cut government spending or deviate from her self-imposed Budgetary rules. None of these options looked promising. The level of overall tax take is already at a historically high level with many economists highlighting the Laffer Curve effect whereby increasing the levels of taxes has a diminishing effect until it can even reverse with higher tax rates giving a lower tax take. Cutting Government spending is politically difficult for this Labour Government where even small adjustments such as the removal of the winter fuel allowance being subject to a policy u-turn after backbench revolt. It would also be difficult for the Chancellor to retain credibility if she was to adjust or abandon the three Fiscal Rules she set out only a year ago.

Investors also focused on the Bank of England ('BoE'), which reduced its base rate from 4.25% to 4% in August, its third 0.25% cut in 2025. While inflation continued to trend downwards from its 2022–2023 highs, it remains above the BoE's 2% target, with services and food proving particularly resistant to falls. Market participants debated the likelihood of further rate cuts in early 2026, though the BoE maintained a cautious tone, emphasizing data-dependence.

Politically, the migrant issue continued to dominate the headlines with Reform holding a persistent lead in the opinion polls and the Government and Official Opposition looking to counter their popularity with announcements in this area. The feeling of uncertainty and underlying political crisis does not make for a stable investment environment and so despite the strong quarter, overall sentiment remains fragile.

On the corporate front, earnings were mixed. While energy and financial sectors benefited from higher interest margins and commodity prices, consumer-focused companies faced headwinds from weak retail spending and elevated household debt. M&A activity picked up modestly, particularly in real estate and healthcare.

Over the course of the last quarter of 2025 the UK economy showed signs of stagnation. From August to October GDP fell by 0.1% as services growth slowed and production struggled. Reduced growth during the period could partly be attributed to the cyber-attack on Jaguar Land Rover, which saw a fall of 28.6% in the manufacture of motor vehicles, trailers and semi-trailers over the quarter but other more fundamental factors also contributed to the UK's poor economic performance.

UK equity markets saw steady performance, but inflation stubbornly remained above target levels. While the BoE cut interest rates in December to 3.75% the close decision, 5-4 in favour of the cut, means that market expectation of further cuts in early 2026 has been reduced. With growth stalled, the labour market softening and higher unemployment expected, the Bank's monetary policy committee is treading a very fine line between cutting rates to stimulate the economy and trying to get inflation down to its 2% target level.

Amidst ongoing global uncertainties and the tax raising measures in the Autumn Budget, investors sought safe havens like gold and silver. Both metals have performed well this year as they historically do when geopolitical risks rise. However, despite the continuing political instability in the world, major global equity indices continued the steady progress shown through 2025, with many finishing the year at record levels.

As we turn to 2026 it would be nice to believe that we may be moving towards a slightly less turbulent period of global tensions than we have seen since 2022; however, the well discussed issues of Russia v Ukraine, Israel v Iran and Palestine, China and Taiwan, as well as the United States versus everybody, remain. Economically and politically, the international instability is likely to continue for a while yet. Domestically the Labour Government is plumbing new depths of unpopularity and despite its efforts to postpone as many as possible, the local elections in the spring will be another opportunity for voters to show their disdain for both of the traditional parties. A poorer performance even than the current low expectations could see those in the Labour Party who are already circling the Prime Minister, take action to replace him. Any new residents of 10 and 11 Downing Street may be even less investor-friendly, however. All of this leads us to repeat our mantra of planning portfolios with cautious long-term optimism while making sure they are suitably prepared for short term volatility as appropriate for their respective risk levels.

As you will see from the Sub-fund's performance, we remain confident in our overall strategy and are beginning to benefit from discount tightening in the investment company sector. 2025 has seen our long-held, and oft repeated, belief that discounts to NAV would return to more normal long-term levels begin to bear fruit, boosting fund performance, and while not all investment company discounts narrowed over the course of the year the general trend is positive and gives us confidence that 2026 will be another positive year.

December was a phenomenal month for Seraphim Space Holdings, which was up 55% , finishing the year up 121%. Seraphim was boosted by an announcement on 19 December that its largest holding, ICEYE, had secured a major contract valued at €1.7 billion through its joint venture with Rheinmetall, the German defence and automotive technology group, to deliver space-based reconnaissance capabilities for the German Armed Forces. ICEYE is 34.7% of Seraphim's portfolio. Seraphim remains a volatile holding but even before this news was up over 60% in 2025. Trading at a 42% discount at the start of the year it is now trading near NAV. Other top performers this month were RTW Biotech Opportunities, up 14%, Augmentum Fintech, up 13%, and Scottish Mortgage Trust, up 11%. RTW received a boost in the middle of December when its 30 November NAV was released, showing an increase of over 8% on the previous month. December's move saw RTW finish the year as the portfolio's second top performer, up 57% in a year which saw its discount to NAV almost halve from 31% to 16%. Other notable performers in 2025 included Polar Capital Technology, up 33%, Pershing Square Holdings, up 25% and Scottish Mortgage up 24%. Only three of the Fund's current holdings have had negative years: Augmentum Fintech down 15%, Hg Capital down 6% and BH Macro down 2%.