



MI Charles Stanley Investment Funds II

Interim Report 31 July 2025

MI Charles Stanley Investment Funds II

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Directory

Authorised Corporate Director ('ACD') & Registrar

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

Customer Service Centre

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Directors of the Authorised Corporate Director

A.C. Deptford
P.J. Foley-Brickley
S.J. Gunson
E.M.C. Personne (Non-Executive Director)
D.J. Phillips (Non-Executive Director)
L.A. Poynter
J.F.D. Thompson (Non-Executive Director)

Investment Manager

Raymond James Wealth Management Limited trading as Charles Stanley
Ropemaker Place, 25 Ropemaker Street, London EC2Y 9LY
(Authorised and regulated by the Financial Conduct Authority)

Depository

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

Independent Auditors

Grant Thornton UK LLP
Statutory Auditors, Chartered Accountants
8 Finsbury Circus, London EC2M 7EA

Basis of Accounting

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

The interim financial statements have been prepared on the same basis as the audited financial statements for the year ended 31 January 2025.

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 for Financial Statements of UK Authorised Funds issued by the IA.

A.C. Deptford

P.J. Foley-Brickley

S.J. Gunson

L.A. Poynter

Directors

Apex Fundrock Limited

29 September 2025

Investment Objective and Policy

The investment objective of the Sub-fund is to generate capital growth from a portfolio consisting predominantly of companies which form part of the Morningstar UK GR Index. There may be occasions when the Investment Manager chooses to hold Collective Investment Schemes and a high level of bonds, government securities, cash and money market instruments.

The Sub-fund is actively managed in order to outperform the benchmark Morningstar UK GR Index. The main effort is concentrated on a “bottom up” approach with careful stock selection the key. The portfolio will concentrate on the larger constituents of the Morningstar UK GR Index.

Investment Manager's Report

for the period ended 31 July 2025

General Market Commentary & Outlook

It has been a turbulent start to the year for markets. Following President Trump's inauguration, the speed and breadth of policy changes have left investors largely trying to catch up. The most significant changes have been in trade policy. A baseline tariff rate of 10% has been set for most goods entering the US, with additional tariffs depending on the country of origin and type of goods. As of writing, trade deals have been struck with the UK, Europe, Japan, and several other Asian countries, while a temporary agreement has been reached with China.

In terms of fiscal policy, the OBBB (One Big Beautiful Bill) budget passed by Congress ensures continued fiscal expansion in the US, accompanied by rising debt levels and interest costs. Considering this, along with the newly restrictive immigration policy and higher tariffs, there are increased upside risks to inflation and downside risks to growth. On balance, further Fed rate cuts have come into view, as risks to unemployment currently outweigh risks to inflation.

Elsewhere, the UK is undergoing forced fiscal tightening amid a deteriorating growth outlook. Across Europe, there is a divergence in policy stances, with Germany pursuing fiscal expansion while other countries either maintain their current positions or consolidate. The outcome of the Japanese election was inconclusive, adding uncertainty around further monetary normalisation. Meanwhile, Chinese authorities continue to introduce new measures aimed at stimulating the lagging economy.

Equity markets have been exceptionally volatile this year. After a sluggish start for the US and outperformance in Europe and China, “Liberation Day” on 2 April triggered a deep selloff in the US and other trade-exposed markets. Once tariff implementation was delayed, markets rallied, with the US continuing to reach new all-time highs.

Performance leaders for the period include China, with returns exceeding 20%, and other emerging markets around 15%. EU small caps have also been standout performers, matching the returns of emerging markets. Other developed markets have delivered mid-single-digit returns.

As rate cuts come into view, shorter maturity yields have declined, while longer maturity yields have remained volatile and slightly increased due to concerns around inflation and debt sustainability. A particularly notable shift has occurred in Japanese long maturity yields, which have materially increased.

Corporate bond markets were generally well behaved even during the market turbulence period. Corporate bond spreads, both investment grade and high yield, are at historically low levels.

While the USD has weakened over the year, this appears to be a cyclical correction from historically strong levels. The trend has now reversed, with the pound finishing the period 6.5% higher against the dollar. The euro has appreciated by approximately 3%, while the Japanese Yen has depreciated by 3.5% against the pound.

Oil has generally traded lower despite geopolitical flare-ups and is currently at the bottom of the \$60–\$70/bbl (one barrel) range. Gold continues to set all-time highs, although the rally appears to have paused for now.

Investment Review

The Sub-fund posted a +1.6% total return over the last six months compared to +7.5% total return for the Morningstar UK index and +5.6% total return for the IA UK All Companies peer group.

(Source: Financial Express Analytics, as at 31 July 2025, pounds sterling, net income re-invested).

UK Equities saw steep declines following the Liberation Day Tariff announcement before recovering to end the period strongly, led by Industrials, Financials, Utilities, and Communication Services albeit with wide dispersion across the index and the fund.

Investment Manager's Report

continued

Performance in the Sub-fund was led by BAE & BOKU, returning 49% and 33% respectively over the period, while TRIG, Games Workshop, and 3i Group also offered solid contributions to overall returns, up 13%, 13% and 7% respectively. BAE Systems have continued to deliver in line with elevated market expectations given the tailwind for the Defence sector following the Ukraine war, elevated expectations for European Defence spending, and heightened geopolitical risks globally, while BOKU provided a material beat to market consensus for earnings, demonstrating the growth potential the company offers.

Weaker performance was seen from GB Group, LSE Group, and Diageo, posting negative returns of 32%, 22%, and 22% respectively, with LSE Group the largest negative contributor given the weight it has run up to in the Sub-fund. Despite an earnings beat and announcing a £1bn buyback plan, LSE Group has seen its share price continue to slide through year with the market viewing slowing subscription value as a concern. We see the share price move as an overreaction to a volatile metric and were reassured by the solid performance and raised margin guidance although we remain cognisant of the risks and opportunities posed by AI in the Data & Analytics subsector. GB Group has seen muted growth and weakness in its US operations which have hit the share price since the turn of the year, although a recent earnings announcement with reiterated FY guidance and a new share buyback offer and an upcoming move to the Main Market offer some positive signs. Diageo has continued to slide with tariffs adding to concerns on consumer spending on premium spirits, although recent management commentary focussing on cost savings and deleveraging appear to have halted this.

Most of our trading through the period was in order to maintain our targeted exposures and position sizes through a volatile period, top slicing holdings in order to top-up underweight positions or manage the cash balance a number of times. We have not added any new positions in the period but continue to monitor for interesting opportunities.

We underperformed the peers and benchmark over the last six months. The largest detractor against the Morningstar index over the last 6 months was having limited exposure to Banking and Insurance, which cost us 3.8% of relative performance, whilst missing names in Industrials – Rolls Royce and Babcock – accounted for a further 1.9% of relative performance. We continue to view interest rates as having peaked and see them as likely to fall in the coming months and years, with the portfolio well positioned to benefit from this evolving landscape.

Portfolio Statement

as at 31 July 2025

Holding	Security	Market value £	% of total net assets 2025
	TECHNOLOGY 8.36% (8.60%)		
	Software and Computer Services 5.74% (6.14%)		
77,883	Auto Trader	652,036	4.49
77,390	GB Group*	181,093	1.25
		833,129	5.74
	Technology Hardware and Equipment 2.62% (2.46%)		
55,172	discoverIE	380,135	2.62
	HEALTH CARE 10.38% (10.42%)		
	Pharmaceuticals and Biotechnology 10.38% (10.42%)		
7,529	AstraZeneca	852,584	5.87
46,167	GSK	654,417	4.51
		1,507,001	10.38
	FINANCIALS 23.57% (23.19%)		
	Finance and Credit Services 4.55% (5.96%)		
7,138	London Stock Exchange	660,836	4.55
	Investment Banking and Brokerage Services 10.41% (10.04%)		
17,935	3i	744,303	5.13
35,257	Intermediate Capital	767,192	5.28
		1,511,495	10.41
	Closed End Investments 8.61% (7.19%)		
157,159	Allianz Technology	739,433	5.09
600,261	The Renewables Infrastructure	510,222	3.52
		1,249,655	8.61
	REAL ESTATE 3.22% (3.39%)		
	Real Estate Investment Trusts 3.22% (3.39%)		
72,352	Segro	468,262	3.22
	CONSUMER DISCRETIONARY 12.45% (13.06%)		
	Household Goods and Home Construction 3.17% (3.49%)		
450,595	Taylor Wimpey	460,960	3.17
	Leisure Goods 3.30% (3.21%)		
2,944	Games Workshop	479,283	3.30
	Media 5.98% (6.36%)		
18,652	RELX	733,583	5.05
43,236	YouGov*	134,896	0.93
		868,479	5.98
	CONSUMER STAPLES 10.58% (10.47%)		
	Beverages 1.78% (1.90%)		
13,982	Diageo	259,017	1.78

MI Charles Stanley Equity Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2025
	Personal Care, Drug and Grocery Stores 8.80% (8.57%)		
10,110	Reckitt Benckiser	573,237	3.95
15,997	Unilever	705,148	4.85
		1,278,385	8.80
	INDUSTRIALS 25.86% (23.20%)		
	Construction and Materials 2.68% (2.26%)		
99,998	Genuit	389,492	2.68
	Aerospace and Defense 4.97% (3.23%)		
39,983	BAE Systems	721,293	4.97
	Electronic and Electrical Equipment 4.80% (5.04%)		
21,430	Halma	696,904	4.80
	Industrial Support Services 13.41% (12.67%)		
169,915	Boku*	400,999	2.76
18,425	Experian	737,553	5.08
215,868	FRP Advisory*	274,152	1.89
140,862	Rentokil Initial	534,430	3.68
		1,947,134	13.41
	BASIC MATERIALS 4.75% (5.10%)		
	Industrial Metals and Mining 3.20% (3.11%)		
10,307	Rio Tinto	464,124	3.20
	Chemicals 1.55% (1.99%)		
8,600	Croda International	224,546	1.55
	Investment assets	14,400,130	99.17
	Net other assets	119,874	0.83
	Net assets	14,520,004	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 31.01.25.

*Quoted on AIM.

At the period end the Sub-fund did not hold shares in any of the other Sub-funds within the MI Charles Stanley Investment Funds II.

Total purchases for the period: £977,751

Total sales for the period: £591,204

Net Asset Value and Shares in Issue

Class	Net Asset Value	Shares in issue	Net Asset Value per share p	Operating Charge Figure*
A Income	£3,501,414	1,509,171	232.01	0.20%
A Accumulation	£4,514,016	1,313,124	343.76	0.20%
B Income	£443,488	280,061	158.35	0.95%
B Accumulation	£6,061,086	2,954,138	205.17	0.95%

*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.

The Investment Manager currently rebates the Sub-fund's operating charges, excluding the Investment Manager's fee, in order for them not to exceed 0.20% of the Net Asset Values of the Sub-fund.

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 5 because funds of this type have experienced medium to high rises and falls in value in the past. During the year under review the category changed from a 6 to a 5 due to the price volatility of the Sub-fund. 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:

- Bond values are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond.
- For funds investing globally, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- The Sub-fund invests into other funds which themselves invest in assets such as bonds, company shares, cash and currencies. The objectives and risk profiles of these underlying funds may not be fully in line with those of this Sub-fund.
- 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 Open-Ended Investment Company 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 Charles Stanley Equity Fund

Statement of Total Return

for the period ended 31 July 2025

	£	31.07.25	£	31.07.24	£
Income					
Net capital (losses)/gains			(34,129)		1,414,633
Revenue	236,148			199,318	
Expenses	(36,324)			(36,819)	
Net revenue before taxation	199,824			162,499	
Taxation	–			–	
Net revenue after taxation		199,824		162,499	
Total return before distributions		165,695		1,577,132	
Distributions		(199,424)		(161,585)	
Change in net assets attributable to Shareholders from investment activities		(33,729)		1,415,547	

Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 July 2025

	£	31.07.25	£	31.07.24	£
Opening net assets attributable to Shareholders		14,415,616		14,313,230	
Amounts receivable on issue of shares	1,062,055			1,184,810	
Less: Amounts payable on cancellation of shares	(1,060,275)			(2,114,415)	
		1,780		(929,605)	
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		(33,729)		1,415,547	
Retained distributions on accumulation shares		136,337		105,939	
Closing net assets attributable to Shareholders		14,520,004		14,905,111	

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.

Balance Sheet

as at 31 July 2025

	£	31.07.25	£	£	31.01.25	£
ASSETS						
Fixed Assets						
Investments			14,400,130			14,045,428
Current Assets						
Debtors	48,228			28,606		
Cash and bank balances	204,417			441,557		
Total current assets			252,645			470,163
Total assets			14,652,775			14,515,591
LIABILITIES						
Creditors						
Distribution payable	(57,621)			(41,217)		
Other creditors	(75,150)			(58,758)		
Total creditors			(132,771)			(99,975)
Total liabilities			(132,771)			(99,975)
Net assets attributable to Shareholders			14,520,004			14,415,616

MI Charles Stanley Equity Fund

Distribution Tables

for the period ended 31 July 2025

Income Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Distribution paid/payable 2025 p	Distribution paid 2024 p
A	Interim	Group 1	3.4762	–	3.4762	2.8005
		Group 2	2.2664	1.2098	3.4762	2.8005
B	Interim	Group 1	1.8420	–	1.8420	1.3661
		Group 2	0.9232	0.9188	1.8420	1.3661

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Amount reinvested 2025 p	Amount reinvested 2024 p
A	Interim	Group 1	5.0740	–	5.0740	3.9928
		Group 2	3.1939	1.8801	5.0740	3.9928
B	Interim	Group 1	2.3597	–	2.3597	1.7300
		Group 2	1.4178	0.9419	2.3597	1.7300

Interim period: 01.02.25 - 31.07.25

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

The investment objective of the Sub-fund is to generate a high income with the potential for capital growth from a portfolio consisting predominantly of UK bonds, government securities, high yielding equities and preference shares. There may be occasions when the Investment Manager chooses to hold Collective Investment Schemes and a high level of cash and money market instruments.

The Sub-fund has no benchmark. The aim is to produce the highest income from a low risk portfolio. The Sub-fund has “distribution fund” status which requires at least 60% to be invested in gilts and corporate bonds. The aim is to keep comfortably above this level through active management and to invest the balance in preference shares, equity collectives and individual equities where underlying companies have a good record of prudent management and rising dividend payments.

Investment Manager's Report

for the period ended 31 July 2025

General Market Commentary & Outlook

It has been a turbulent start to the year for markets. Following President Trump's inauguration, the speed and breadth of policy changes have left investors largely trying to catch up. The most significant changes have been in trade policy. A baseline tariff rate of 10% has been set for most goods entering the US, with additional tariffs depending on the country of origin and type of goods. As of writing, trade deals have been struck with the UK, Europe, Japan, and several other Asian countries, while a temporary agreement has been reached with China.

In terms of fiscal policy, the OBBB (One Big Beautiful Bill) budget passed by Congress ensures continued fiscal expansion in the US, accompanied by rising debt levels and interest costs. Considering this, along with the newly restrictive immigration policy and higher tariffs, there are increased upside risks to inflation and downside risks to growth. On balance, further Fed rate cuts have come into view, as risks to unemployment currently outweigh risks to inflation.

Elsewhere, the UK is undergoing forced fiscal tightening amid a deteriorating growth outlook. Across Europe, there is a divergence in policy stances, with Germany pursuing fiscal expansion while other countries either maintain their current positions or consolidate. The outcome of the Japanese election was inconclusive, adding uncertainty around further monetary normalization. Meanwhile, Chinese authorities continue to introduce new measures aimed at stimulating the lagging economy.

Equity markets have been exceptionally volatile this year. After a sluggish start for the US and outperformance in Europe and China, “Liberation Day” on 2 April triggered a deep selloff in the US and other trade-exposed markets. Once tariff implementation was delayed, markets rallied, with the US continuing to reach new all-time highs.

Performance leaders for the period include China, with returns exceeding 20%, and other emerging markets around 15%. EU small caps have also been standout performers, matching the returns of emerging markets. Other developed markets have delivered mid-single-digit returns.

As rate cuts come into view, shorter maturity yields have declined, while longer maturity yields have remained volatile and slightly increased due to concerns around inflation and debt sustainability. A particularly notable shift has occurred in Japanese long maturity yields, which have materially increased.

Corporate bond markets were generally well behaved even during the market turbulence period. Corporate bond spreads, both investment grade and high yield, are at historically low levels.

While the USD has weakened over the year, this appears to be a cyclical correction from historically strong levels. The trend has now reversed, with the pound finishing the period 6.5% higher against the dollar. The euro has appreciated by approximately 3%, while the Japanese Yen has depreciated by 3.5% against the pound.

Oil has generally traded lower despite geopolitical flare-ups and is currently at the bottom of the \$60–\$70/bbl (one barrel) range. Gold continues to set all-time highs, although the rally appears to have paused for now.

MI Charles Stanley Monthly High Income Fund

Investment Manager's Report

continued

Investment Review

For the half year ending 31 July 2025 the Sub-fund delivered a +5.9% total return against +2.3% for the IA Mixed Investment 0-35% peer group.

(Source: Financial Express Analytics, C Inc units, as at 31 July 2025, pounds sterling, net income re-invested).

It was a strong period for the Sub-fund in both absolute and relative terms with all asset classes contributing positively. At a headline level, we saw our Fixed Income, Equity and Alternatives allocations up 4.1%, 8.9% and 15.9% respectively on a total return basis. With the prospect of interest rate cuts on the horizon, we saw both our corporate bond and sovereign bond allocations turning the corner and beginning to deliver capital appreciation alongside the running yield. At the end of the period, our average Investment Grade Bond is priced at 97.6% and our average High Yield Bond at 89.9% of their par value – showing that while we have recovered a substantial amount of their capital value they remain at substantial discounts.

Our best performing investments were the BAE Systems, Phoenix and Foresight Solar, which posted 49.2%, 33.5% and 32.7% total returns respectively. BAE Systems continues to outperform the market whilst conflicts in Ukraine and the Middle East spur higher levels of spending on defence, particularly across NATO members with pressure being applied from the Trump administration.

The largest detractors from performance came from Taylor Wimpey, ICG and Rio Tinto with -11.3%, -5.5% and -4.6% total returns. Taylor Wimpey continue to pay a high level of income via their dividend policy but the capital value has fallen substantially in recent months. A mixed set of financial results and increased provisions for legacy costs pushed the shares lower but the balance sheet remains robust and the fundamental undersupply of housing within the UK remains.

Over the course of the period a number of changes were made to the portfolio. We exited the position in the Leeds 3 ¾ 2029, Natwest 3.622 2030 and trimmed the Brit Insurance 3.6757 2030 as well as the equity positions in BAE Systems, 3i and ICG. These were used largely to fund redemptions in the beginning of the period. In March, Legal & General announced a tender for their outstanding 2045 subordinated debt positions. This was ahead of their October call date. At the same time they issued a new vehicle offering an attractive 6 5/8 coupon.

We have continued to rebuild our UK Government Bond allocation, buying a number of bonds in the 8–12-year maturity band, which is used for both liquidity management and its defensive characteristics during times of stress. These purchases were made with yields generally above the 4.5% level which we see as attractive over the medium term.

Overall, we are pleased with the returns that the fund has generated and continue to see attractive opportunities for investment where we have cash to deploy. With the first cut from the Bank of England having been executed after the period end, we anticipate a slow reduction from current levels over the coming year which will be favourable for a number of our allocations. The fund remains one of the highest yielding within its IA sector, with a current distribution yield of 5%*, but we look to strike a balance of capital preservation/appreciation alongside this distribution yield in the current environment rather than trying to increase this yield further.

(*Source: Apex, 31 July 2024, C Inc units).

MI Charles Stanley Monthly High Income Fund

Portfolio Statement

as at 31 July 2025

Holding	Security	Market value £	% of total net assets 2025
Pound Sterling Denominated Corporate Debt Securities 50.45% (59.00%)			
£650,000	3i 3.75% 05.06.40	512,895	1.20
£400,000	ABN AMRO 5.1250% 22.02.28	405,780	0.95
£800,000	Abrdn 5.25% Variable Perpetual	780,416	1.82
£300,000	Aviva 4% 03.06.55	254,013	0.59
£300,000	Aviva 6.125% 12.09.54	300,780	0.70
£300,000	Barclays 3.25% 12.02.27	294,813	0.69
£300,000	Barclays 3.25% 17.01.33	260,784	0.61
£600,000	BAT International Finance 4% 04.09.26	594,978	1.39
£450,000	BAT International Finance 6% 24.11.34	458,487	1.07
£300,000	BP Capital Markets 4.25% 22.03.27	295,419	0.69
£300,000	Brit Insurance 6.625% Variable 09.12.30	263,337	0.62
£800,000	Bupa Finance 4% Variable Perpetual	658,048	1.54
£500,000	Bupa Finance 5% 08.12.26	500,605	1.17
£600,000	Citigroup 4.5% 03.03.31	581,040	1.36
£500,000	Daily Mail & General 6.375% 21.06.27	495,630	1.16
£200,000	Direct line Insurance 4% 05.06.32	184,320	0.43
£500,000	Direct Line Insurance 4.75% Variable Perpetual	494,755	1.16
£400,000	Electricite De France 5.5% Variable Perpetual	389,220	0.91
£300,000	Electricite De France 6% Variable Perpetual	300,183	0.70
£700,000	Electricite De France Variable Perpetual	691,999	1.62
£300,000	European Investment Bank 3.875% 12.04.28	299,187	0.70
£300,000	Experian Finance 3.25% 07.04.32	274,050	0.64
£500,000	HJ Heinz Finance UK 6.25% 18.02.30	521,105	1.22
£400,000	Iceland Bondco 4.375% 15.05.28	379,916	0.89
£600,000	IG Group Holdings 3.125% 18.11.28	560,892	1.31
£650,000	Imperial Brands Finance 4.875% 07.06.32	626,235	1.46
£300,000	Investec 9.125% 06.03.33	323,187	0.76
£500,000	Legal & General Variable 14.11.48	500,680	1.17
£300,000	Lloyds Banking 6.625% 02.06.33	311,241	0.73
£454,000	London Victoria Friendly Society 6.5% 22.05.43	466,830	1.09
£600,000	M&G Variable 20.07.55	566,106	1.32
£300,000	McDonalds 2.95% 15.03.34	256,125	0.60
£200,000	Nationwide Building Society 5.75% Variable Perpetual	198,770	0.47
£550,000	Nationwide Building Society 5.769% Variable Perpetual	542,713	1.27
£500,000	Pension Insurance 5.625% 20.09.30	502,205	1.17
£500,000	Pension Insurance 7.375% Variable Perpetual	510,995	1.19
£500,000	Pinewood Finance 3.625% 15.11.27	480,515	1.12
£300,000	Quilter 8.625% 18.04.33	320,577	0.75
£500,000	Reassure 5.867% 13.06.29	506,715	1.18
£800,000	RL Finance No.4 4.875% Variable 07.10.49	651,904	1.52
£400,000	Sainsbury's Bank 10.5% 12.03.33	445,804	1.04
£300,000	Segro 2.375% 11.10.29	275,337	0.64
£500,000	Society of Lloyds 4.875% Variable 07.02.47	499,310	1.17
£700,000	The Berkeley Group 2.5% 11.08.31	586,607	1.37
£300,000	The Goldman Sachs Group 3.625% 29.10.29	291,072	0.68
£500,000	TP ICAP Finance 7.875% 17.04.30	543,655	1.27
£300,000	Unite 3.5% 15.10.28	288,606	0.68
£700,000	VMED O2 UK Finance 4.5% 15.07.31	635,747	1.49
£500,000	Vodafone Variable 03.10.78	499,435	1.17
		21,583,023	50.45

MI Charles Stanley Monthly High Income Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2025
Pound Sterling Denominated Government Debt Securities 9.73% (7.68%)			
£600,000	UK Treasury 3.25% 31.01.33	559,350	1.31
£300,000	UK Treasury 3.50% 22.10.25	299,517	0.70
£400,000	UK Treasury 3.75% 07.03.27	399,304	0.93
£600,000	UK Treasury 4% 22.10.31	594,576	1.39
£300,000	UK Treasury 4.25% 07.06.32	301,527	0.70
£700,000	UK Treasury 4.25% 31.07.34	687,239	1.61
£700,000	UK Treasury 4.25% 07.03.36	676,403	1.58
£650,000	UK Treasury 4.50% 07.03.35	646,510	1.51
		4,164,426	9.73
Preference Shares 4.06% (3.86%)			
300,000	Bristol Water 8.75% ccrp	429,000	1.00
371,783	Ecclesiastical Insurance 8.625% ncip	524,214	1.23
382,000	Northern Electric 8.061% cip	488,960	1.14
250,000	Standard Chartered 7.375% ncip	295,500	0.69
		1,737,674	4.06
UK Equities 11.11% (10.93%)			
27,142	BAE Systems	489,642	1.14
72,805	BP	294,715	0.69
20,480	GSK	290,304	0.68
18,743	Intermediate Capital	407,848	0.95
182,700	Legal & General	468,991	1.10
33,850	National Grid	358,640	0.84
70,966	Phoenix	470,859	1.10
6,861	Rio Tinto	308,951	0.72
23,600	SSE	436,246	1.02
282,859	Taylor Wimpey	362,060	0.85
8,625	Unilever	380,190	0.89
36,350	Vistry	212,065	0.50
330,000	Vodafone	270,600	0.63
		4,751,111	11.11
Investment Funds 16.46% (16.55%)			
10,703	3i	444,175	1.04
484,721	BlackRock Continental European Income - D Hedged Income*	746,131	1.74
681,251	Foresight Solar	610,401	1.43
485,984	Greencoat UK Wind	581,723	1.36
462,000	HICL Infrastructure	556,248	1.30
427,000	International Public Partnerships	523,502	1.22
1,090,909	Schroder Asian Income - L Income GBP*	916,363	2.14
1,130,500	Sequoia Economic Infrastructure Income	903,270	2.11
609,000	Supermarket Income REIT	486,591	1.14
502,983	The Renewables Infrastructure	427,536	1.00
260,044	TR Property	847,743	1.98
		7,043,683	16.46

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2025
Exchange Traded Funds 2.97% (0.00%)			
12,321	iShares £ Corp Bond 0-5yr ETF - Distribution GBP	1,270,541	2.97
Investment assets		40,550,458	94.78
Net other assets		2,235,121	5.22
Net assets		42,785,579	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 31.01.25.

*Collective Investment Schemes permitted under COLL, not listed on any exchange.

Glossary

ccrp cumulative convertible redeemable preference
 cip cumulative irredeemable preference
 ncip non-cumulative irredeemable preference

At the period end the Sub-fund did not hold shares in any of the other Sub-funds within the MI Charles Stanley Investment Funds II.

Total purchases for the period: £2,804,307

Total sales for the period: £2,035,826

Analysis of bonds by credit rating^

	Market value £	% of total net assets 2025	% of total net assets 2024
Investment grade (BBB- and above)	20,011,958	46.77	49.40
Non Investment grade (BB+ and below)	5,472,154	12.79	11.83
Unrated bonds	263,337	0.62	5.45
	25,747,449	60.18	66.68

^Source: NTISL

MI Charles Stanley Monthly High Income Fund

Net Asset Value and Shares in Issue

Class	Net Asset Value	Shares in issue	Net Asset Value per share p	Operating Charge Figure*
A Income	£1,947,573	2,297,194	84.78	1.12%
A Accumulation	£509,744	251,310	202.84	1.12%
B Income	£731,125	682,522	107.12	0.12%
C Income	£31,736,296	35,845,952	88.54	0.87%
C Accumulation	£7,860,841	5,171,786	151.99	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 against the average Net Asset Value for the accounting period.

The Investment Manager currently rebates the Sub-fund's operating charges, excluding the Investment Manager's fee and synthetic ongoing charges (0.04% of operating charges) in order for them not to exceed 0.08% of the Net Asset Values of the Sub-fund.

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.



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:

- The level of income targeted by the Sub-fund is not guaranteed.
- Bond values are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond.
- For funds investing globally, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- The Sub-fund invests into other funds which themselves invest in assets such as bonds, company shares, cash and currencies. The objectives and risk profiles of these underlying funds may not be fully in line with those of this Sub-fund.
- For further risk information please see the Prospectus.

Risk Warning

An investment in an Open-Ended Investment Company 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 Charles Stanley Monthly High Income Fund

Statement of Total Return

for the period ended 31 July 2025

	£	31.07.25	£	£	31.07.24	£
Income						
Net capital gains			1,515,277			1,470,042
Revenue	1,115,379			1,224,973		
Expenses	(168,280)			(187,004)		
Interest payable and similar charges	(404)			(52)		
Net revenue before taxation	946,695			1,037,917		
Taxation	(7,480)			(8,834)		
Net revenue after taxation			939,215			1,029,083
Total return before distributions			2,454,492			2,499,125
Distributions			(846,857)			(940,196)
Change in net assets attributable to Shareholders from investment activities			1,607,635			1,558,929

Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 July 2025

	£	31.07.25	£	£	31.07.24	£
Opening net assets attributable to Shareholders			41,695,768			44,077,593
Amounts receivable on issue of shares	4,120,742			3,300,256		
Less: Amounts payable on cancellation of shares	(4,802,534)			(4,155,597)		
			(681,792)			(855,341)
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)			1,607,635			1,558,929
Retained distributions on accumulation shares			163,968			138,860
Closing net assets attributable to Shareholders			42,785,579			44,920,041

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 Charles Stanley Monthly High Income Fund

Balance Sheet

as at 31 July 2025

	£	31.07.25	£	£	31.01.25	£
ASSETS						
Fixed Assets						
Investments			40,550,458			40,870,930
Current Assets						
Debtors	688,800			633,389		
Cash and bank balances	1,743,521			839,781		
Total current assets			2,432,321			1,473,170
Total assets			42,982,779			42,344,100
LIABILITIES						
Creditors						
Distribution payable	(116,615)			(476,996)		
Other creditors	(80,585)			(171,336)		
Total creditors			(197,200)			(648,332)
Total liabilities			(197,200)			(648,332)
Net assets attributable to Shareholders			42,785,579			41,695,768

MI Charles Stanley Monthly High Income Fund

Distribution Tables

for the period ended 31 July 2025

Income Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Distribution paid/payable 2025 p	Distribution paid 2024 p
A	First interim	Group 1 Group 2	0.2876 –	– 0.2876	0.2876 0.2876	0.2885 0.2885
	Second interim	Group 1 Group 2	0.2874 0.1822	– 0.1052	0.2874 0.2874	0.2881 0.2881
	Third interim	Group 1 Group 2	0.2875 –	– 0.2875	0.2875 0.2875	0.2884 0.2884
	Fourth interim	Group 1 Group 2	0.2875 –	– 0.2875	0.2875 0.2875	0.2883 0.2883
	Fifth interim	Group 1 Group 2	0.2874 –	– 0.2874	0.2874 0.2874	0.2883 0.2883
	Sixth interim	Group 1 Group 2	0.2874 –	– 0.2874	0.2874 0.2874	0.2882 0.2882
B	First interim	Group 1 Group 2	0.3630 0.0230	– 0.3400	0.3630 0.3630	0.3589 0.3589
	Second interim	Group 1 Group 2	0.3573 0.0412	– 0.3161	0.3573 0.3573	0.3595 0.3595
	Third interim	Group 1 Group 2	0.3614 0.2179	– 0.1435	0.3614 0.3614	0.3596 0.3596
	Fourth interim	Group 1 Group 2	0.3620 –	– 0.3620	0.3620 0.3620	0.3599 0.3599
	Fifth interim	Group 1 Group 2	0.3623 –	– 0.3623	0.3623 0.3623	0.3600 0.3600
	Sixth interim	Group 1 Group 2	0.3626 –	– 0.3626	0.3626 0.3626	0.3600 0.3600
C	First interim	Group 1 Group 2	0.3000 0.1600	– 0.1400	0.3000 0.3000	0.3000 0.3000
	Second interim	Group 1 Group 2	0.3000 0.0875	– 0.2125	0.3000 0.3000	0.3000 0.3000
	Third interim	Group 1 Group 2	0.3000 0.0496	– 0.2504	0.3000 0.3000	0.3000 0.3000
	Fourth interim	Group 1 Group 2	0.3000 –	– 0.3000	0.3000 0.3000	0.3000 0.3000
	Fifth interim	Group 1 Group 2	0.3000 –	– 0.3000	0.3000 0.3000	0.3000 0.3000
	Sixth interim	Group 1 Group 2	0.3000 –	– 0.3000	0.3000 0.3000	0.3000 0.3000

MI Charles Stanley Monthly High Income Fund

Distribution Tables

continued

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Amount reinvested 2025 p	Amount reinvested 2024 p
A	First interim^	Group 1	0.6734	–	0.6734	0.6412
		Group 2	0.6734	–	0.6734	0.6412
	Second interim^	Group 1	0.6685	–	0.6685	0.6449
		Group 2	0.6685	–	0.6685	0.6449
	Third interim^	Group 1	0.6774	–	0.6774	0.6454
		Group 2	0.6774	–	0.6774	0.6454
C	Fourth interim	Group 1	0.6792	–	0.6792	0.6466
		Group 2	–	0.6792	0.6792	0.6466
	Fifth interim	Group 1	0.6809	–	0.6809	0.6482
		Group 2	–	0.6809	0.6809	0.6482
	Sixth interim	Group 1	0.6841	–	0.6841	0.6522
		Group 2	–	0.6841	0.6841	0.6522
	First interim	Group 1	0.5040	–	0.5040	0.4790
		Group 2	0.1543	0.3497	0.5040	0.4790
	Second interim	Group 1	0.5000	–	0.5000	0.4803
		Group 2	0.0249	0.4751	0.5000	0.4803
	Third interim	Group 1	0.5071	–	0.5071	0.4814
		Group 2	0.2097	0.2974	0.5071	0.4814
	Fourth interim	Group 1	0.5087	–	0.5087	0.4826
		Group 2	0.2996	0.2091	0.5087	0.4826
	Fifth interim	Group 1	0.5102	–	0.5102	0.4842
		Group 2	–	0.5102	0.5102	0.4842
	Sixth interim	Group 1	0.5143	–	0.5143	0.4857
		Group 2	–	0.5143	0.5143	0.4857

^No group 2 shares held in this distribution period.

First interim period: 01.02.25 - 28.02.25

Second interim period: 01.03.25 - 31.03.25

Third interim period: 01.04.25 - 30.04.25

Fourth interim period: 01.05.25 - 31.05.25

Fifth interim period: 01.06.25 - 30.06.25

Sixth interim period: 01.07.25 - 31.07.25

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

The investment objective of the Sub-fund is to provide long-term capital growth through investment in a diversified portfolio of global equities with a focus on UK Blue-Chip companies.

The Sub-fund may also invest in other transferable securities and collective investment schemes (which may provide some exposure to alternative assets including private equity and hedge funds and, through transferable securities only, property), exchange traded funds, corporate bonds and government securities. Money market instruments and cash deposits may be held if the Investment Manager deems it appropriate in light of equity market conditions to meet the objectives of the Sub-fund.

There will be no limitations to geographical area (other than the focus on UK Blue-Chip companies) or industrial sector.

Investment Manager's Report

for the period ended 31 July 2025

Market Overview

The Sub-fund posted a +1.1% total return over the last six months, compared to +1.3% for the FTSE World ex-UK index and +0.4% for the IA Global peer group.

(Source: Financial Express Analytics, as at 31 July 2025, pounds sterling, net income re-invested, A Accumulation shares)

Global equity markets have experienced heightened volatility over the past six months, driven by a mix of geopolitical tensions, uncertainty surrounding trade policies, and sector-specific challenges. Investor sentiment was particularly strained following Donald Trump's "Liberation Day" announcement in April, which triggered a wave of nervousness across financial markets. Stock prices, currency values, and commodity markets whipsawed in response to the evolving trade war policies of the US President. Despite intermittent rebounds, investor caution prevailed due to escalating trade disputes and the unpredictable trajectory of inflation and central bank policies. While some regions, such as the UK, demonstrated relative resilience, the overall tone gradually became one of cautious optimism, tempered by persistent macroeconomic and political risks.

In the US, rapidly changing trade policies dominated headlines, especially the introduction of a 10% baseline tariff on most imports, including a 25% levy on car imports and a doubling of duties on steel and aluminium. These moves disrupted global supply chains and rattled markets. Despite the turbulence, the Federal Reserve maintained its interest rate stance, prioritising economic stability amid uncertainty. A temporary truce with China offered brief relief, but the broader uncertainty around Trump's evolving trade policies continued to weigh on investor confidence and global supply chains. The Fed's decision to hold rates steady reflected its cautious approach in the face of unpredictable fiscal and trade dynamics.

The UK navigated a politically charged period under Prime Minister Keir Starmer, who faced internal challenges, including a rebellion over welfare reforms. Nonetheless, his administration made progress on international trade with the government securing a bilateral deal with the US and nearing agreement with India. The Bank of England responded to mixed economic signals, particularly weakening employment data, by first holding rates steady and later cutting them by 25 basis points to 4.25%, in a split decision. The UK Chancellor, Rachel Reeves, unveiled a £14bn package to address economic challenges, featuring cuts to foreign aid and welfare alongside increased defence spending, reflecting the government's attempt to stabilise the economy amid global uncertainty.

Europe faced its own political and economic upheavals. The conviction of far-right leader Marine Le Pen for historic embezzlement reshaped France's political landscape, barring her from the upcoming presidential race. Germany responded to growing geopolitical pressures by relaxing its debt rules and launching a €500bn infrastructure fund aimed at bolstering military capabilities and economic growth. These developments, alongside strained Western alliances, added to investor anxiety. European markets remained sensitive to trade disruptions and political instability, with the region's economic outlook closely tied to global policy shifts.

Beyond the core Western economies, geopolitical tensions continued to influence market behaviour. The war in Ukraine remained a focal point, especially following a contentious exchange between President Trump and President Zelensky, which cast doubt on continued US military support. This uncertainty added to investor unease across global markets. Meanwhile, trade negotiations and tariff threats loomed large, with concerns about inflation and supply chain fragility shaping investor sentiment. Despite some diplomatic progress, such as the temporary US-China trade agreement, the broader geopolitical landscape remained fraught, keeping markets on edge.

Investment Manager's Report

continued

Outlook

Global financial markets experienced a notable rebound, fuelled by optimism following US President Donald Trump's announcement of a 'total reset' in relations with China. Although the move temporarily eased trade tensions and lifted asset prices, the underlying agreement remains fragile and largely symbolic. With the tariff pause set to expire in August, investor sentiment may deteriorate if meaningful progress towards a lasting trade deal is not achieved. Meanwhile, Chinese officials have emphasised that their core principles will not be compromised. Adding to the uncertainty is the possibility of Europe adopting a similarly aggressive stance in its trade negotiations, which could intensify global trade frictions, disrupt supply chains, and potentially lead to a volatile summer for markets.

In the US, equity markets have shown resilience to President Trump's policy manoeuvres, often interpreting them as part of a broader pattern rather than immediate threats. However, economists warn that such policies could fuel inflationary pressures. Federal Reserve Chair Jerome Powell continues to face criticism from the White House for maintaining elevated interest rates, amid growing concerns about the impact on American businesses and consumers. The tension between political influence and economic stewardship has placed the Fed in a delicate position, as it seeks to balance market stability with inflation control under increasing political scrutiny.

In the UK, political dynamics have shifted significantly following Labour's strong 2024 mandate. Prime Minister Sir Keir Starmer is facing declining approval ratings amid policy reversals and growing public dissatisfaction. The emergence of Jeremy Corbyn's new party has fractured the left, while Nigel Farage's Reform UK is gaining traction in traditional Labour strongholds, raising the prospect of a 'light blue wave' in future elections. These developments have introduced political instability that could weigh on investor confidence. Meanwhile, the Bank of England remains cautious, navigating inflationary pressures and political uncertainty as it considers future monetary policy adjustments.

Across Europe, officials are advocating for a tougher stance in trade negotiations, particularly with the US, arguing that credible threats of retaliation are necessary to secure fair outcomes. This approach risks escalating transatlantic tensions and could trigger reciprocal tariffs, further unsettling equity markets. The broader European economy remains vulnerable to supply chain disruptions and inflationary pressures stemming from global trade disputes. While some sectors, particularly technology, have benefited from recent market momentum, the outlook remains clouded by geopolitical risks and policy fragmentation among EU member states.

Beyond the major economies, geopolitical developments continue to shape the global outlook. President Trump's reaffirmation of a 7 August deadline for new tariffs targeting Canada, China, and India adds another layer of uncertainty. Framework agreements with the EU and Japan offer some hope for diplomatic progress, but they remain under negotiation and have yet to be implemented. The potential for renewed trade conflicts, coupled with shifting political alliances and rising populist movements, suggests that markets will remain sensitive to geopolitical headlines. Investors should prepare for heightened volatility as these dynamics evolve.

In the current environment, we continue to favour investment in large-cap, blue-chip equities of high quality, which offer both dividend yield and potential for earnings growth. Equities are expected to benefit further from growth in developed economies, and the fund maintains an underweight position in European equities, favouring the UK and US stock markets.

Investment Manager's Report

continued

Significant Portfolio Changes

Purchases since 31 January 2025

	Cost £
Diageo	1,677,976
Capital Group Investment Company of America LUX	1,242,010
T. Rowe Price US All-Cap Opportunities Equity - C Accumulation GBP*	1,008,101
HSBC MSCI CHINA UCITS ETF	982,792
Aviva Investors US Equity Income - I	654,389
Schroder Asian Income - L Income GBP*	430,293
	<hr/> 5,995,562 <hr/>

Top 10 sales since 31 January 2025

	Proceeds £
Fidelity American Special Situations - W Accumulation*	1,791,280
First State Stewart Investment Asia Pacific - B Income GBP*	1,700,722
Diageo	838,988
Aviva Investors US Equity Income - I	654,389
British American Tobacco	524,647
Barclays	349,961
Shell	329,021
Aberdeen UK Smaller Companies - Institutional Accumulation*	307,680
Baillie Gifford Overseas Growth - B Income GBP*	302,680
BP	289,648
	<hr/> 7,089,016 <hr/>

MI Charles Stanley UK & International Growth Fund

Portfolio Statement

as at 31 July 2025

Holding	Security	Market value £	% of total net assets 2025
	TECHNOLOGY 0.68% (0.74%)		
	Software and Computer Services 0.68% (0.74%)		
64,000	Sage	780,480	0.68
	HEALTH CARE 5.52% (5.36%)		
	Medical Equipment and Services 0.55% (0.48%)		
54,000	Smith & Nephew	627,750	0.55
	Pharmaceuticals and Biotechnology 4.97% (4.88%)		
21,000	AstraZeneca	2,378,040	2.08
131,200	GSK	1,859,760	1.63
15,000	Novartis	1,309,875	1.15
3,000	Sandoz	129,986	0.11
		5,677,661	4.97
	FINANCIALS 10.85% (9.56%)		
	Banks 5.53% (4.70%)		
1,200,000	Barclays	4,455,600	3.90
2,386,000	Lloyds Banking	1,856,308	1.63
		6,311,908	5.53
	Finance and Credit Services 1.05% (1.33%)		
13,000	London Stock Exchange	1,203,540	1.05
	Investment Banking and Brokerage Services 0.90% (0.69%)		
388,000	M&G	1,015,008	0.90
	Closed End Investments 0.83% (0.80%)		
86,000	Scottish Mortgage Investment Trust	944,280	0.83
	Life Insurance 2.54% (2.04%)		
583,000	Legal & General	1,496,561	1.31
146,000	Prudential	1,407,148	1.23
		2,903,709	2.54
	REAL ESTATE 0.43% (0.43%)		
	Real Estate Investment Trusts 0.43% (0.43%)		
86,000	Land Securities	496,650	0.43
	CONSUMER DISCRETIONARY 5.58% (5.86%)		
	Consumer Services 2.38% (2.43%)		
102,000	Compass	2,718,300	2.38
	Media 3.20% (3.43%)		
93,000	RELX	3,657,690	3.20
	CONSUMER STAPLES 6.05% (6.31%)		
	Beverages 0.88% (1.11%)		
54,000	Diageo	1,000,350	0.88
	Tobacco 1.78% (2.11%)		
30,000	British American Tobacco	1,211,700	1.06
28,000	Imperial Brands	826,840	0.72
		2,038,540	1.78

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2025
Personal Care, Drug and Grocery Stores 3.39% (3.09%)			
21,000	Reckitt Benckiser	1,190,700	1.04
425,000	Tesco	1,807,950	1.58
20,000	Unilever	881,600	0.77
		3,880,250	3.39
INDUSTRIALS 1.97% (1.96%)			
Industrial Support Services 1.97% (1.96%)			
30,000	Experian	1,200,900	1.05
276,000	Rentokil Initial	1,047,144	0.92
		2,248,044	1.97
BASIC MATERIALS 1.84% (2.00%)			
Industrial Metals and Mining 1.84% (2.00%)			
277,000	Glencore	844,019	0.74
28,000	Rio Tinto	1,260,840	1.10
		2,104,859	1.84
ENERGY 3.27% (3.74%)			
Oil, Gas and Coal 3.27% (3.74%)			
367,000	BP	1,485,616	1.30
83,000	Shell	2,249,715	1.97
		3,735,331	3.27
UTILITIES 2.14% (1.95%)			
Gas, Water and Multi-utilities 2.14% (1.95%)			
115,000	National Grid	1,218,425	1.07
46,000	Severn Trent	1,218,080	1.07
		2,436,505	2.14
COLLECTIVE INVESTMENT SCHEMES 53.23% (54.27%)			
Asia Pacific 7.34% (8.56%)			
87,000	Baring Eastern - D Income GBP*	1,231,050	1.08
1,749,000	M&G Japan – PP Income GBP*	2,663,202	2.33
653,000	Man GLG Japan CoreAlpha - D Income*	2,141,187	1.87
2,807,000	Schroder Asian Income - L Income GBP*	2,358,441	2.06
		8,393,880	7.34
Continental Europe 3.80% (3.79%)			
61,000	Baillie Gifford Overseas Growth - B Income GBP*	1,370,060	1.20
692,000	BlackRock Continental European Income - D Income GBP*	1,455,414	1.28
358,000	Legal & General European Index - C Distribution GBP*	1,512,550	1.32
		4,338,024	3.80
Emerging Markets 1.60% (1.60%)			
62,000	Goldman Sachs India Equity - I Income GBP*	1,818,460	1.60
Global 2.70% (2.62%)			
1,725,000	M&G Global Listed Infrastructure - PP Income GBP*	1,865,588	1.63
130,000	Polar Capital Global Insurance - E Income GBP*	1,217,684	1.07
		3,083,272	2.70

MI Charles Stanley UK & International Growth Fund

Portfolio Statement

continued

Holding	Security	Market value £	% of total net assets 2025
North America 34.71% (34.86%)			
1,540,039	Aviva Investors US Equity Income - I*	1,646,918	1.44
1,074,000	AXA Framlington American Growth - Z Accumulation GBP*	8,667,180	7.59
206,000	Brown Advisory US Smaller Companies - C Accumulation USD*	4,948,412	4.33
59,000	Capital Group Investment Company of America LUX*	1,270,860	1.11
61,073	Dodge & Cox Worldwide US Stock - Income GBP*	2,199,222	1.93
50,000	Fidelity American Special Situations - W Accumulation*	1,313,500	1.15
3,609,000	JPM US Equity Income - C2 Income*	6,160,563	5.40
1,368,000	Loomis Sayles US Equity Leaders - Q Accumulation GBP*	10,848,513	9.50
160,000	T. Rowe Price US All-Cap Opportunities Equity - C Accumulation GBP*	2,587,200	2.26
		39,642,368	34.71
United Kingdom 3.08% (2.84%)			
117,000	Aberdeen UK Smaller Companies - Institutional Accumulation*	1,186,380	1.04
1,049,000	WS Gresham House UK Smaller Companies - F Income GBP*	1,112,045	0.98
1,157,000	WS Whitman UK Small Cap Growth - D Accumulation GBP*	1,214,040	1.06
		3,512,465	3.08
EXCHANGE TRADED FUNDS 7.64% (7.14%)			
Exchange Traded Funds 7.64% (7.14%)			
180,000	HSBC MSCI CHINA UCITS ETF	1,079,100	0.94
230,000	iShares S&P 500 Financials UCITS ETF - Accumulation USD	2,685,250	2.35
42,000	Vanguard FTSE 250 UCITS ETF	1,408,050	1.23
39,000	Vanguard S&P 500 ETF	3,568,013	3.12
		8,740,413	7.64
Investment assets		113,309,737	99.20
Net other assets		916,031	0.80
Net assets		114,225,768	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 31.01.25.

*Collective Investment Schemes permitted under COLL, not listed on any exchange.

At the period end the Sub-fund did not hold shares in any of the other Sub-funds within the MI Charles Stanley Investment Funds II.

Total purchases for the period: £5,178,033

Total sales for the period: £8,505,886

Net Asset Value and Shares in Issue

Class	Net Asset Value	Shares in issue	Net Asset Value per share p	Operating Charge Figure*
A Accumulation	£114,225,768	27,888,230	409.58p	1.42%

*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. Included within this figure are the charges of the underlying Funds (synthetic charges, currently 0.36%). 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.



This Sub-fund is ranked at 5 because funds of this type have experienced medium to 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:

- Bond values are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may not be able to pay the bond income as promised or could fail to repay the capital amount used to purchase the bond.
- For funds investing globally, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment.
- The Sub-fund invests into other funds which themselves invest in assets such as bonds, company shares, cash and currencies. The objectives and risk profiles of these underlying funds may not be fully in line with those of this Sub-fund.
- 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 Open-Ended Investment Company 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 Charles Stanley UK & International Growth Fund

Statement of Total Return

for the period ended 31 July 2025

	£	31.07.25	£	31.07.24	£
Income					
Net capital gains		118,136		10,045,792	
Revenue	1,429,591		1,400,160		
Expenses	(577,248)		(581,628)		
Net revenue before taxation	852,343		818,532		
Taxation	(4,733)		(16,769)		
Net revenue after taxation		847,610		801,763	
Total return before distributions		965,746		10,847,555	
Distributions		(821,588)		(801,753)	
Change in net assets attributable to Shareholders from investment activities		144,158		10,045,802	

Statement of Change in Net Assets Attributable to Shareholders

for the period ended 31 July 2025

	£	31.07.25	£	31.07.24	£
Opening net assets attributable to Shareholders		117,306,299		105,708,375	
Amounts receivable on issue of shares	517,886		1,604,382		
Less: Amounts payable on cancellation of shares	(4,549,465)		(5,342,426)		
		(4,031,579)		(3,738,044)	
Change in net assets attributable to Shareholders from investment activities (see Statement of Total Return above)		144,158		10,045,802	
Retained distributions on accumulation shares		806,890		785,661	
Closing net assets attributable to Shareholders		114,225,768		112,801,794	

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 Charles Stanley UK & International Growth Fund

Balance Sheet

as at 31 July 2025

	£	31.07.25	£	£	31.01.25	£
ASSETS						
Fixed Assets						
Investments			113,309,737			116,505,365
Current Assets						
Debtors	1,118,154			212,518		
Cash and bank balances	733,665			803,237		
Total current assets			1,851,819			1,015,755
Total assets			115,161,556			117,521,120
LIABILITIES						
Creditors						
Other creditors	(935,788)			(214,821)		
Total creditors			(935,788)			(214,821)
Total liabilities			(935,788)			(214,821)
Net assets attributable to Shareholders			114,225,768			117,306,299

MI Charles Stanley UK & International Growth Fund

Distribution Table

for the period ended 31 July 2025

Accumulation Share Distributions

Share class	Distribution	Shares	Net revenue p	Equalisation p	Amount reinvested 2025 p	Amount reinvested 2024 p
A	Interim	Group 1	2.8933	–	2.8933	2.6016
		Group 2	1.3999	1.4934	2.8933	2.6016

Interim period: 01.02.25 - 31.07.25

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.

General Information

Authorised Status

MI Charles Stanley Investment Funds II (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 UK UCITS Retail Scheme and 'Umbrella Company' under the COLL Sourcebook.

The Company was incorporated in England and Wales on 02 June 2005 under registration number IC000398. The Shareholders are not liable for the debts of the Company.

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

MI Charles Stanley Equity Fund

MI Charles Stanley Monthly High Income Fund

MI Charles Stanley UK & International Growth Fund

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 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 Inc	A Acc	B Inc	B Acc	C Inc	C Acc
MI Charles Stanley Equity Fund	✓	✓	✓	✓	–	–
MI Charles Stanley Monthly High Income Fund	✓	✓	✓	✓*	✓	✓
MI Charles Stanley UK & International Growth Fund	–	✓	–	–	–	–

*This share class has 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.

Valuation Point

The scheme property of 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 each Sub-fund 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 Sub-fund if the ACD considers it desirable to do so, with the Depositary's approval.

General Information

continued

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 308 1456

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 for each share class in a Sub-fund which represents the Net Asset Value of the share class 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.fundrock.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 implications of current world geopolitical tensions and conflicts. The current crises have and will have a wider impact in terms of market performance.

Task Force on Climate-Related Financial Disclosures ('TCFD')

The ACD is required to publish a public TCFD product report in respect of each Sub-fund. The report is designed to provide investors with transparency into their portfolios' climate-related risks and opportunities according to the recommendations from the TCFD and aims to help investors understand their exposure to these risks and opportunities.

Reports for each Sub-fund are published on www.fundrock.com/mi-funds/ and can be found under Task Force on Climate-Related Financial Disclosures ('TCFD') by selecting the relevant Fund Manager and Sub-fund.

Data Protection Policy

The way in which we may use personal information of individuals ("personal data") is governed by the "Data Protection Requirements" which means all applicable data protection laws and regulations including, without limitation, (a) the General Data Protection Regulation (EU) 2016/679 ("GDPR"), (b) UK GDPR (as that term is defined by the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019) and the Data Protection Act 2018, and (c) any legislation that supplements or replaces the foregoing in the UK. The Data Protection Requirements are designed to strengthen data protection for all individuals.

All personal information provided by you and any other information relating to your investment will be treated in confidence by us and will not be disclosed to any third parties outside of the Apex Group, except to our service providers, appropriate authorities or where legally compelled or permitted by law or where your prior consent has been received. We will use your information to open, administer and when appropriate, close your account. We may record and use any information held about you in the course of our relationship with you for these purposes. The Law gives you the right to know what information we hold about you. In addition, the Law sets out rules to make sure that this information is handled properly.

A copy of our privacy policy and your rights as a data subject can be found on our website at <https://www.apexgroup.com/privacy-policy/>. Apex Fundrock Ltd is a registered Data Controller. If you have any queries about the use of your personal information, please contact us via e-mail at DPO@apexfs.com or by post to Hamilton Centre, Rodney Way, Chelmsford, Essex, CM1 3BY.

General Information

continued

Risk Warning

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Apex Fundrock Limited

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