# MI TwentyFour Investment Funds

## Value Assessment 2023

Reporting End Period 31st March 2023

## 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 Maitland 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

- Apex Fundrock Ltd 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 TwentyFour Asset Management LLP, 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 highest charging invested 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 TwentyFour AM - Asset Backed Income Fund

## Sub-Fund Overall Value Assessment score 31st March 2023

The ACD has produced an overall assessment of value for the Fund taking into account the value provided across all the services that underpin the management and operation of the Fund, using the criteria set out in the Regulations and described in this document. The performance of the 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".

| |
|---|
| Good |

## Sub-Fund Performance 31st March 2023

The MI TwentyFour Asset Backed Income Fund has a stated objective of providing an attractive level of income relative to prevailing interest rates with a strong focus on capital preservation. The fund managers also reference the Fund's performance against SONIA. Over one year the Fund has produced a small positive total return but less than SONIA. Over three and five years the Fund has produced a total return much greater than SONIA. The last 12 months has seen the greatest volatility in ABS markets since the 2008-9 financial crisis. The impact of rising bond yields on LDI pension funds in the UK led to a period of stress in ABS markets and this impacted the returns for the period under review. The Fund has performed well relative to comparable funds (although there are few true comparators).

| | |
|---|---|
| 1 Year | Fair |
| 3 Years | Good |
| 5 Years | Good |

***Investors should recognise that the Fund is actively managed and is SRRI risk rated 4 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:

**Portfolio Commentary**

*The start of the reporting period had seen wider market volatility in February in response to the invasion of Ukraine, and therefore the asset allocation decisions from the portfolio managers generally saw an increased drive for a little more liquidity, not only to protect value in the portfolio but to allow for chances to capitalise on the expected spread widening and the Sub-fund sold shorter dated assets around par to take advantage of wider spreads and discounted cash prices. The Sub-fund saw most of its trading occur in the earlier stage of the quarter, and was primarily adding through the primary markets, which had widened significantly. This included BTL and Non-Conforming UK Residential Mortgage-Backed Securities, and some Collateralized Loan Obligations ('CLOs') comprised of investment grade and sub-investment grade paper. Given the volatility these were priced at attractive levels and offered good diversification. In the secondary markets the portfolio managers were able to act opportunistically and pick up a clip of short BB CLOs and BB UK NC RMBS which were paying down, offering strong carry whilst also providing regular principal back to the Sub-funds that could be deployed at a later point. Selling was limited in the period but some of the shorter UK BTL RMBS was clipped at close to par to further support liquidity within the portfolio. Throughout the period the Sub-fund had received net inflows and was therefore able to add assets at attractive levels without having to hinder its liquidity and* *cash position, a trend that was present throughout large portions of the year. At the end of June, the portfolio had a forward yield to maturity of 10.74% and a weighted average life of 3y. Overall, the Sub-fund posted negative returns to the end of June of -6.68% mainly attributable to CLOs, the sector most strongly correlated with the wider market..*

*Fundamental bond performance remained good with multiple rating upgrades seen over the quarter and no downgrades, though the portfolio managers continued to maintain high levels of due diligence on the underlying portfolio. With consumers facing continued pressure, the managers prefer secured residential Mortgage-Backed Securities ('MBS') whose underlying loans are likely to be prioritised by the borrower over unsecured consumer loans or credit cards which struggling borrowers are more likely to allow repayments to fall behind. In terms of trading the portfolio managers were more active in both trading and selling in order to maintain an optimal asset allocation with macro headwinds building. The PMs maintained elevated liquidity levels at the start of Q3, against the current market backdrop, by selling shorter-dated assets, although throughout the period the Sub-fund was still receiving net inflows, and was therefore actively net adding overall, and with primary issuance slowing down it deployed this liquidity within the secondary markets. This included some discounted BB/B CLOs, yielding in excess of 10%, as well as some shorter bank-sponsored consumer/auto paper. There were also opportunities to improve the credit quality of the portfolio, adding some IG NC RMBS at an attractive level, with a particular axe for shorter deals in order to protect the cash price. Selling was limited with only one small clip of one of the weaker BB CLOs being traded, in line with wider asset allocation decisions. Performance was positive leading up until the UK Government's mini budget, which caused unforeseen volatility across all markets and caused negative performance for the period.*

*Early in the 4th quarter portfolio manager activity was driven primarily with responding to the UK LDI crisis. Unlike many other ABS funds this provided a good opportunity for the Asset Backed Income Fund to deploy the liquidity that it had been building in prior periods. As many other managers were forced to sell during the LDI crisis, this allowed the Sub-fund to take advantage of its position as a buyer and selectively add extremely discounted assets which were funded through steady capital inflows and sales that had already been executed. The Sub-fund was active in secondary markets during this period, adding from an array of asset classes, rating from AAA down to single-B. Around half of the buying was within CLOs, primarily BBs which were acquired at a significant discount. This provided ample liquidity to deploy liquidity into the secondary markets. Similarly, to previous periods, the majority of additions occurred within UK, Dutch and German RMBS sectors, improving credit quality from a ratings perspective with additions to BBB RMBS yielding in excess of 10%. The Sub-fund also selectively added some discounted AAA CLOs alongside the BB CLOs, to improve credit quality in the pool, and provide a good opportunity for some future trading gains. BB CLOs were still a focus for the Sub-fund though and with spreads trending wider, it offered an extremely attractive yield, in excess of 13%. Market conditions became more constructive in November as the volume of BWIC selling seen in October started to taper off, in line with the perception that the LDI-driven selling was by-and-large completed. For the Sub-fund this provided another period to add assets against more stable but wider backdrop, and amongst the distressed selling during the LDI crisis, offered some attractive opportunities. Selling remained limited, and was contained within primarily within CMBS positions, which the portfolio managers saw to be one of the areas that could become stressed in the coming period. As markets began to recover from the LDI crisis performance improved, and the discounted paper that was picked up amidst the volatility began to provide some strong Market To Market ('MTM') improvement, boosting performance. Despite broader market weakness in December, ABS market conditions remained constructive, and with there being little or no primary issuance to engage with, secondary market spreads began to grind tighter as dealers and investors began looking to add assets in preferred sectors. Despite this the Sub-fund was still slightly down from Q3 but was entering the New Year with positive momentum.*

*With the constructive start to ABS markets in 2023 the Sub-fund had been able to carry on its momentum and generated another quarter of positive performance, despite the wider market shocks caused by the issues in the banking sector. As primary markets opened again the portfolio managers were able to add more assets, almost all of which were in IG ABS/RMBS and including a proportion in bank sponsored prime deals. This was in line with wider asset allocations and allowed the Sub-fund to benefit from the carry of rising rates, whilst also being liquid enough that these could be transferred out for future opportunities to add risk. In secondary trading this drive for upgrading the credit quality within the Sub-funds continued, with almost all of the additions being investment grade, and primarily within UK RMBS. Given the Sub-fund's position and further subscriptions, the managers were not put into a position where they needed to sell throughout Q1 2023. Sub-fund performance at the end of the reporting period was 0.70% (Class A Income Gross with dividends reinvested), and although it is slightly down from its peak at the beginning of March prior to banking issues in the US and Europe in March, it still remains well positioned to deal with any further volatility.*

**Market Outlook**

*Floating rate ABS began 2023 well placed with a strong income component through high spreads and increased base rates with more rises expected. Performance caught up in the first two months of the year, but spreads remain wider when compared with corporates and highlights for the sector are expected as follows:*

- *Robust deal performance across mortgages although some weakness expected in consumer pools.*
- *CMBS is expected to be the weakest performer, where Commercial Real Estate ('CRE') valuations are decreasing, and we expect selective loans with short maturities to face refinancing challenges. Other sectors are expected to perform well.*
- *Liquidity conditions have been restored after Q3 volatility and 2023 so far has seen strong and active investor participation which we expect to continue.*
- *Default rates and ratings are expected to outperform in ABS relative to Credit markets.*
- *We anticipate volatility to remain a theme through this late cycle phase and assets with stronger liquidity characteristics are preferred.*

- *EU ABS issuance has surprised to the upside so far in 2023, despite demand driven reductions in lending in Europe, as early year tightening of spreads has accelerated issuer plans. Bank issuance has begun to represent a larger share. This is expected to continue but predicated by the potential for disruption by wider market events.*

The Sub-fund returned a positive 0.68% (Class I Income Gross with dividends reinvested) for the year.

# MI TwentyFour AM - Asset Backed Income Fund

## Fund Information

# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Asset Backed Income Fund ("the Fund")
## A Gross Income Shares

This is a sub fund of MI TwentyFour Investment Funds. The Fund is an Open Ended Investment Company. ISIN: GB00B9876293. Apex Fundrock Ltd is the Authorised Corporate Director of the Fund ("MI" and "MI Funds" are trading names of the ACD).

### Objectives and investment policy

The Fund aims to provide income and grow your investment.

The Fund will invest in a range of European asset backed securities. These are types of bonds which are loans that pay a fixed or variable rate of interest. These particular bonds are linked to assets which provide some security on the investment. Examples of these are securities which are backed by mortgages on residential and commercial property, loans on automobiles and loans to small or medium sized businesses. The Fund will choose bonds based on their risk and the attractiveness of their income. The potential for capital growth may also be a material factor in their selection.

On occasions the Fund may be significantly invested in one particular geographical region of Europe.

The Fund will aim to reduce the risk of exchange rate movements lowering its value through the use of derivative instruments (such as futures, options and swaps). Derivatives are linked to the rise and fall of other assets, such as currencies. The price movements in these assets can result in movements of the Fund's share price.

The Fund can also use derivative instruments for the purposes of efficient porfolio management, with the aim of managing risk and cost.

Any income this share class generates will be paid out to you.

You can buy and sell shares on any business day in London.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 4-5 years.

For full investment objectives and policy details please refer to the prospectus.

### Risk and reward profile

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

**Typically lower rewards, lower risk** ← → **Typically higher rewards, higher risk**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | **4** | 5 | 6 | 7 |

- This Fund is ranked at 4 because funds of this type have experienced average 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 Fund:
- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- There is no guarantee that an asset which provides the security for a bond will maintain its value.
- Derivatives can be used to help reduce risk but may not be fully successful. Derivatives can also reduce gains you may otherwise have made.
- Currency risk reduction techniques can have an effect on the value of your investment and on the performance of the share class.
- 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.
- There may be cases where the organisation from which we buy a bond fails to carry out its obligations, which could cause losses to the Fund.
- In difficult market conditions, the Fund may not be able to sell an investment for its full value or at all. This could affect performance and, in extreme conditions, could cause the Fund to defer or suspend requests from investors to sell shares.
- For further risk information please see the prospectus.

# MI TwentyFour AM - Asset Backed Income Fund

# Fund Information

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 5.00% |
| Exit charge | 0.00% |

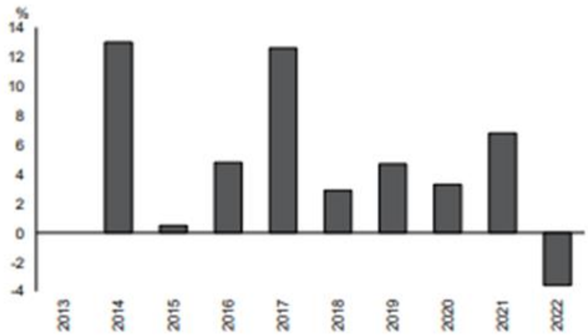
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

| Charges taken from the Fund over a year | |
|---|---|
| Ongoing charges | 0.66% |

| Charges taken from the Fund under specific conditions | |
|---|---|
| Performance fee | NONE |

- Switching charge (for switching into the Fund from another fund) 0.05%.
- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- For the ongoing charge, the figure is as at 30 September 2022.
- You may also be charged a dilution levy on entry to or exit from the Fund, this is to cover costs associated with your transaction.
- Certain charges are deducted from the capital of the Fund. This may allow more income to be paid but it may also restrict capital growth.
- For more information about charges, please see the prospectus.

## Past performance




| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | | 13.0 | 0.5 | 4.8 | 12.6 | 2.9 | 4.7 | 3.3 | 6.8 | -3.6 |

Source: FE fundinfo 2023

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 16/01/2013.
- Share/unit class launch date: 16/01/2013.
- Performance is calculated in GBP.

## Practical information

- This document is issued by Apex Fundrock Ltd and contains information on the A Gross Income Shares only ("MI" and "MI Funds" are trading names of the ACD).
- Each fund of the Company has its own pool of assets and liabilities, segregated by law. If one fund were unable to pay for its liabilities the assets of the other funds could not be used to pay for those liabilities.
- You can get further detailed information regarding the Fund, including details of the investment manager and how to switch, buy and sell shares and other share classes available, within the prospectus, the supplementary information document and the annual and half yearly managers' reports. You can get these free of charge from Apex Fundrock Ltd, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or from our website: www.fundrock.com. These are available in English only. You can also call us on 0345 026 4286, or look on our website for the latest share prices.
- Details of the ACD's remuneration policy (including a description of how remuneration and benefits are calculated, the composition of the remuneration committee and the identities of persons responsible for awarding remuneration and benefits) are available at www.fundrock.com/mi-fund-data or by requesting a paper copy free of charge (see above for contact details).
- The Depositary of the Fund is Northern Trust Investor Services Limited.
- Please note that the tax laws of the United Kingdom may impact your own tax position.
- Apex Fundrock Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

## MI TwentyFour AM - Asset Backed Opportunities Fund

## Sub-Fund Overall Value Assessment score 31st March 2023

The ACD has produced an overall assessment of value for the Fund taking into account the value provided across all the services that underpin the management and operation of the Fund, using the criteria set out in the Regulations and described in this document. The performance of the 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”.

| |
|---|
| Good |

## Sub-Fund Performance 31st March 2023

The MI TwentyFour Asset Backed Opportunities Fund has a stated objective of providing an attractive level of income relative to prevailing interest rates with a strong focus on capital preservation. The fund managers also reference the Fund’s performance against SONIA +5-8%. Over one year the Fund has produced a small positive total return but less than SONIA +5-8%. Over three years the Fund has returned more than SONIA +5-8% but not over five years. The last 12 months has seen the greatest volatility in ABS markets since the 2008-9 financial crisis. The impact of rising bond yields on LDI pension funds in the UK led to a period of stress in ABS markets and this impacted the returns for the period under review. The Fund has performed well relative to comparable funds (although there are few true comparators).

| | |
|---|---|
| 1 Year | Fair |
| 3 Years | Good |
| 5 Years | Good |

***Investors should recognise that the Fund is actively managed and is SRRI risk rated 4 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:

**Portfolio Commentary**

*The portfolio managers had a busy start to the reporting period and were active in April 2022 due to the elevated volatility in the market, and an environment of wider spreads, which continued to be the prevailing theme. The team looked to optimise positions in line with the current asset allocation target amid a healthy supply of primary bonds. On that basis, the Sub-fund made investments in the mezzanine tranches of Dutch and UK BTL deals and the BBB tranche of a Dutch Life Science CMBS deal which added some diversification. They also made several additions to existing holdings in mezzanine and sub-investment grade CLOs from preferred managers at incremental yields. The team funded these purchases by rotating from some short, dated holdings and the sale of a UK Prime RMBS position. In May 2022 and as a consequence of more subdued primary markets, the portfolio managers predominantly focused on MI TwentyFour Investment Funds selectively rotating positions. In the secondary market, the managers sold a position in UK Non-Conforming BBB bonds with a very short dated Weighted Average Life (‘WAL’) sold at close to par at a spread of SONIA +420bp and reinvested the proceeds into a primary UK Non-Conforming BBB bond with a mid-90 cash price and a spread of SONIA +800bp. The team also rotated into existing subinvestment grade CLO positions from preferred* *managers in cleaner pools, such as some BB 2.6yr bonds yielding over 9% with discounted cash prices in the low 90s. The ongoing elevated levels of volatility and spread widening in June 2022 ensured primary issuance remained largely on the side lines. Rotation in secondary markets remained a challenge as liquidity was somewhat patchy, but the portfolio managers were able to add some liquidity through the sale of short-dated mezzanine positions in UK Buy To Let ('BTL') RMBS in bonds at levels close to Par. In July 2022 ABS spreads initially widened across all asset classes as weaker market sentiment prevailed with a general risk off tone in the market. As the month progressed wider fixed income markets rallied, which finally started to permeate through into ABS and CLO pricing by month end. This presented the portfolio managers with the opportunity to add assets selectively at incremental yields. In secondary markets BB CLOs traded in the 1000 dm area, yielding around 12%. By month end the spreads on BB were around 50-75bp tighter and trading in the low 900 dm range. Despite the widening in mezzanine bond spreads quoted by trading desks, sourcing RMBS at cheaper levels proved to be challenging with product very light in terms of flow. BWIC flow and bank inventory too remained light over the course of the month. Liquidity in the market was adequate against lighter flows although bid-offer spreads remain wider. The Sub-fund saw a reasonable amount of bond maturities during August which gave the portfolio managers the opportunity to add several positions in secondary markets. This included two investments in BBB UK Non-conforming RMBS at attractive yields of between 6.45%- 7.5% for fairly short duration bonds. Further BBB additions to existing positions were made in very seasoned, strongly performing granular German consumer and Spanish Auto loans also at generous cash price discounts to par. In CLOs the portfolio managers used the strong BB rally at the beginning of the month to clip some positions in that sector. Liquidity observed over the month was a little weaker given the market backdrop and, although dealer bid-offers remained wide, strong investor participation was seen on BWICs suggesting that clients were looking to invest at these attractive floating rate yields. Fundamental bond performance remained good with multiple rating upgrades seen over the quarter and no downgrades, though the portfolio managers continued to maintain high levels of due diligence on the underlying portfolio. As consumers face continued pressure, the managers prefer secured residential Mortgage-Backed Securities ('MBS') whose underlying loans are likely to be prioritised by the borrower over unsecured consumer loans or credit cards which struggling borrowers are more likely to allow repayments to fall behind. The market returned to a degree of normality in the first part of September 2022, with a mixture of UK and European RMBS and consumer deals seeing good levels of client interest. However, market conditions deteriorated very rapidly in the last week of the month following the UK mini-Budget and ongoing rates volatility. Secondary markets saw their heaviest volume of securitised products since March 2020, particularly in UK senior AAA and AA assets and also in AAA CLOs linked to LDI pension fund rebalancing and redemptions. The Sub-fund made selective sales in line with redemptions and to raise some liquidity. Performance was positive leading up until the UK Government's mini budget, which caused unforeseen volatility across all markets and therefore led to negative performance for the period.*

*Early in the 4th quarter portfolio manager activity was driven primarily with responding to the UK LDI crisis and balancing requirements for liquidity. Market conditions became more constructive in November 2022 as the volume of BWIC selling seen in October 2022 started to taper off, in line with the perception that the LDI-driven selling was by-and-large completed. The portfolio managers faced steady redemptions, but the liquidity structure of the Sub-fund helped the portfolio managers to use adequate windows of liquidity in the market during the period to fund the redemptions. Most importantly the portfolio managers focussed on selling assets throughout October 2022 and November 2022 across all sectors (including CLOs, RMBS, CMBS, Auto and consumer ABS) and across all ratings in order to maintain the positioning of the Sub-fund and sufficient liquidity despite the large redemptions. The portfolio managers did not face any liquidity issues to meet the outflow requirements in a timely manner. Despite broader market weakness in December 2022, ABS market conditions remained constructive, and with there being little or no primary issuance to engage with. Liquidity observed in ABS across Q4 remained good, first as the aforementioned surge in BWIC volumes helping the market manage October's heavy selling in an orderly fashion, and then as investors and dealers looked to add assets in preferred sectors once the crisis eased. Selling remained steady and included a CMBS position, which the portfolio managers saw to be one of the areas that could become stressed in the coming year. As markets began to recover from the LDI crisis performance improved, and the discounted paper that was picked up amidst the volatility began to provide some strong Mark To Market ('MTM') improvement, boosting performance. Despite broader market weakness in December 2022, ABS market conditions remained constructive, and secondary market spreads began to grind tighter as dealers and investors began looking to add assets in preferred sectors. Despite this the Sub-fund was still slightly down from Q3 but was entering the new year with positive momentum. With the constructive start to ABS markets in 2023 the Sub-fund dealt with further redemptions and the focus for the portfolio managers was achieving optimal best pricing execution across the assets by rating and sector. Strong investor and dealer demand in secondary markets enabled the Sub-fund to raise liquidity as required. Once redemptions had taken place, the Sub-fund rebalanced by adding AAA assets in line with asset allocation and performance further benefited from ongoing spread retracement during February 2023 and March 2023 as spreads retraced due to widening caused by the banking liquidity issues seen in the run up to the end of the reporting period.*

**Market Outlook**

*Floating rate ABS began 2023 well placed with a strong income component through high spreads and increased base rates with more rises expected. Performance caught up in the first two months of the year, but spreads remain wider when compared with corporates and highlights for the sector are expected as follows:*

- *Robust deal performance across mortgages although some weakness expected in consumer pools.*
- *CMBS is expected to be the weakest performer, where Commercial Real Estate ('CRE') valuations are decreasing, and we expect selective loans with short maturities to face refinancing challenges. Other sectors are expected to perform well.*
- *Liquidity conditions have been restored after Q3 volatility and 2023 so far has seen strong and active investor participation which we expect to continue.*
- *Default rates and ratings are expected to outperform in ABS relative to Credit markets.*

- *We anticipate volatility to remain a theme through this late cycle phase and assets with stronger liquidity characteristics are preferred.*

- *EU ABS issuance has surprised to the upside so far in 2023, despite demand driven reductions in lending in Europe, as early year tightening of spreads has accelerated issuer plans. Bank issuance has begun to represent a larger share. This is expected to continue but predicated by the potential for disruption by wider market events.*

The Sub-fund returned a negative 1.41% (Class I Income Gross with dividends reinvested) for the year.

# MI TwentyFour AM - Asset Backed Opportunities Fund Fund Information

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Asset Backed Opportunities Fund ("the Fund")
## I Gross Income Shares

This is a sub fund of MI TwentyFour Investment Funds. The Fund is an Open Ended Investment Company. ISIN: GB00BD5D3D88. Apex Fundrock Ltd is the Authorised Corporate Director of the Fund ("MI" and "MI Funds" are trading names of the ACD).

### Objectives and investment policy

The Fund aims to provide an attractive level of income along with an opportunity for capital growth.

The Fund aims to target a net total return of SONIA* + 5% - 8% per year. However, there is no guarantee that the Fund will achieve a positive return over 12 months or any time period; your capital may be at risk and you may not get back the full amount originally invested. (*SONIA is the Bank of England Sterling Overnight Index Average interest rate benchmark based on actual transactions and reflects the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions and other institutional investors.)

The Fund will invest in a range of European asset backed securities. These are types of bonds which are loans that pay a fixed or variable rate of interest. These particular bonds are linked to assets which provide some security on the investment. Examples of these are securities which are backed by mortgages on residential and commercial property, loans on automobiles and loans to small or medium sized businesses. The Fund will choose bonds based on their risk and the attractiveness of their income. The potential for capital growth may also be a material factor in their selection. The performance of the Fund is measured against the SONIA rate.

On occasions the Fund may be significantly invested in one particular geographical region of Europe.

The Fund will aim to reduce the risk of exchange rate movements lowering its value through the use of derivative instruments (such as futures, options and swaps). Derivatives are linked to the rise and fall of other assets, such as currencies. The price movements in these assets can result in movements of the Fund's share price.

The Fund can also use derivative instruments for the purposes of efficient porfolio management, with the aim of managing risk and cost.

Any income this share class generates will be paid out to you.

You can buy and sell shares on any business day in London.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 4-5 years.

For full investment objectives and policy details please refer to the prospectus.

### Risk and reward profile

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

| **Typically lower rewards, lower risk** | | | | | | **Typically higher rewards, higher risk** |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | **4** | 5 | 6 | 7 |

- This Fund is ranked at 4 because funds of this type have experienced average 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 Fund:
- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- There is no guarantee that an asset which provides the security for a bond will maintain its value.
- Derivatives can be used to help reduce risk but may not be fully successful. Derivatives can also reduce gains you may otherwise have made.
- Currency risk reduction techniques can have an effect on the value of your investment and on the performance of the share class.
- 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.
- There may be cases where the organisation from which we buy a bond fails to carry out its obligations, which could cause losses to the Fund.
- The Fund will choose bonds based on their risk and attractiveness of their income. This could include lower rated bonds that are higher risk but typically pay a higher income. The potential for capital growth may also be a material factor in their selection.
- The Fund invests in assets that are not always readily saleable without suffering a discount to fair value. The portfolio may have to lower the selling price, sell other investments or forego another, more appealing investment opportunity.
- In difficult market conditions, the Fund may not be able to sell an investment for its full value or at all. This could affect performance and, in extreme conditions, could cause the Fund to defer or suspend requests from investors to sell shares.
- For further risk information please see the prospectus.

# MI TwentyFour AM - Asset Backed Opportunities Fund

# Fund Information

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 5.00% |
| Exit charge | 0.00% |

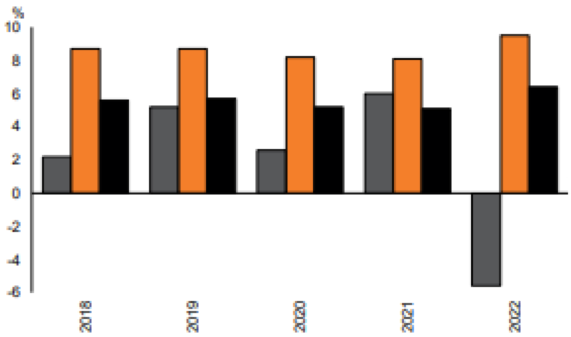
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

| Charges taken from the Fund over a year | |
|---|---|
| Ongoing charges | 0.71% |

| Charges taken from the Fund under specific conditions | |
|---|---|
| Performance fee | NONE |

- Switching charge (for switching into the Fund from another fund) 0.05%.
- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- For the ongoing charge, the figure is as at 30 September 2022.
- You may also be charged a dilution levy on entry to or exit from the Fund, this is to cover costs associated with your transaction.
- Certain charges are deducted from the capital of the Fund. This may allow more income to be paid but it may also restrict capital growth.
- For more information about charges, please see the prospectus.

## Past performance




| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Fund | 2.2 | 5.2 | 2.6 | 6.0 | -5.6 |
| Benchmark 1 * | 8.7 | 8.7 | 8.2 | 8.1 | 9.5 |
| Benchmark 2 * | 5.6 | 5.7 | 5.2 | 5.1 | 6.4 |

Source: FE fundinfo 2023

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 11/04/2017.
- Share/unit class launch date: 11/04/2017.
- Performance is calculated in GBP.
- * Benchmark 1 - Bank Of England Sterling Overnight Index Average + 8%
- * Benchmark 2 - Bank Of England Sterling Overnight Index Average + 5%

## Practical information

- This document is issued by Apex Fundrock Ltd and contains information on the I Gross Income Shares only ("MI" and "MI Funds" are trading names of the ACD).
- Each fund of the Company has its own pool of assets and liabilities, segregated by law. If one fund were unable to pay for its liabilities the assets of the other funds could not be used to pay for those liabilities.
- You can get further detailed information regarding the Fund, including details of the investment manager and how to switch, buy and sell shares and other share classes available, within the prospectus, the supplementary information document and the annual and half yearly managers' reports. You can get these free of charge from Apex Fundrock Ltd, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or from our website: www.fundrock.com. These are available in English only. You can also call us on 0345 026 4286, or look on our website for the latest share prices.
- Details of the ACD's remuneration policy (including a description of how remuneration and benefits are calculated, the composition of the remuneration committee and the identities of persons responsible for awarding remuneration and benefits) are available at www.fundrock.com/mi-fund-data or by requesting a paper copy free of charge (see above for contact details).
- The Depositary of the Fund is Northern Trust Investor Services Limited.
- Please note that the tax laws of the United Kingdom may impact your own tax position.
- Apex Fundrock Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

# MI TwentyFour AM – Core Corporate Bond Fund

## Sub-Fund Overall Value Assessment score 31st March 2023

The ACD has produced an overall assessment of value for the Fund taking into account the value provided across all the services that underpin the management and operation of the Fund, using the criteria set out in the Regulations and described in this document. The performance of the 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".

| |
|---|
| Good |

## Sub-Fund Performance 31st March 2023

The MI TwentyFour Core Corporate Bond Fund has a stated objective of achieving a return in excess of the iBoxx GBP Corporate Bond Index over a rolling three-year period. The Fund has achieved a return ahead of the index over one and five years but is marginally behind on three years. The Fund has produced a negative return over the last twelve months, but all fixed interest funds have suffered over the last few months due to higher-than-expected inflation and consequently higher interest rates.

| | |
|---|---|
| 1 Year | Good |
| 3 Years | Fair |
| 5 Years | Good |

***Investors should recognise that the Fund is actively managed and is SRRI risk rated 4 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:

**Portfolio Commentary**

*The 12-month performance was negative on an absolute basis but flat on a relative basis with the Sub-fund returning -10.50%, against the iBoxx Sterling Corporates benchmark performance of -10.55% (Class A Income Gross).*

*However considerable intra-year volatility was seen between the Sub-fund and its benchmark, being both ahead and behind at various points during the period – not helped by government U-turns, LDI crises, the highest inflation in 40 years and bank runs. Given the degree of fear priced into bond markets over the last 12 months, the Prime Minister does not expect the next year to see anywhere near that level of volatility in absolute or relative terms – however we cannot be complacent about forthcoming global recession risks, as noted later.*

*Overall being underweight duration benefited the Sub-fund while its overweight to credit risk detracted from performance. Our duration underweight added to relative performance most through the first 6 months but some of these gains were given back as rate markets rallied in the second half. The Sub-fund's credit positioning would have benefited from a lower beta stance over the year, despite the Sub-fund's lower credit spread duration. Looking at more detailed attribution, the sectors which cost the most relative performance where those where beta was highest and extension risk played a role (the potential for issuers not to redeem* *a callable bond at its first call date). Investor's faith in calls in the corporate hybrid sector, -10.65% return and -1.67% contribution, was tested for the first time in 2022 and this resulted in significant falls in the value of some bonds, in particular those issued by*

*European real-estate issuers. Our overweight to insurance, -9.19% contributing -1.97%, also cost relative performance as extension worries weighed. Similarly banks hurt performance, -5.61%, contributing -1.15%.*

*Following March's crisis of confidence in the banking sector and temporary loss of faith in AT1 bonds (the Sub-fund's two holdings Coventry and Nationwide Building Society AT1s fell 4.5% contributing -0.11% at the Sub-fund level), the managers have reviewed where the Sub-fund takes financial risk. The managers are comfortable with the strength of those issuers held both in terms of capitalisation, asset quality and market access. However, the Sub-fund has rotated out of banking names with more significant commercial real-estate holdings ('CRE'). The CRE market looks particularly vulnerable to a downturn, so we have exited from holdings such as Svenka Handlesbanken (42% CRE assets).*

**Market Outlook and Strategy**

*The end of extremely cheap money and expanding central bank balance sheets, coupled with geopolitical and economic risk, and now significant questions over bank credit quality (especially for smaller US banks), mean that volatility is likely to remain in risk assets for some time yet.*

*As such, we believe the combination of lower than benchmark duration and higher average yield, with high average credit quality, is the best way to address the likely volatility in the broader market we expect over the next few months, whilst still producing a solid income. This stance is designed to maximise the breakeven yield as much as possible within the constraints of the Sub-fund, meaning with a yield of 6.24% and a duration of 5.69yrs, the breakeven yield is around +110bp which provides more protection against rising yields than the benchmark.*

*Given March's volatility, the yield on the Sub-fund is now 6.24% (compared to the benchmark yield of 5.54%), and although that is slightly lower than during the market lows seen in September 2022, it remains higher than previously in 2023. Of course, market wide risks also remain higher now in 2023 than before, and as such the PM believes a continued lower beta stance than normal remains prudent, where both our interest rate and credit spread duration remain lower than the benchmark by around -0.9Yrs, with around 13.5% in our liquidity bucket of government bonds, supranational and cash, also being higher than normal. Over the next few months as we await further clarification on the likely tightening of monetary conditions from stricter lending standards in the banking sector, the PM believes there will opportunities to add beta – but right now is not the time to add significant portfolio risk.*

The Sub-fund return a negative 10.54% (Class A Income Gross with dividends reinvested) for the year.

# MI TwentyFour AM – Core Corporate Bond Fund

## Fund Information

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Core Corporate Bond Fund ("the Fund")
## A Gross Accumulation Shares

This is a sub fund of MI TwentyFour Investment Funds. The Fund is an Open Ended Investment Company. ISIN GB00BF0GW842. Apex Fundrock Ltd is the Authorised Corporate Director of the Fund ("MI" and "MI Funds" are trading names of the ACD).

### Objectives and investment policy

The Fund aims to provide income and capital growth and to target an overall return in excess of that achieved by the iBoxx GBP Corporate Bond Index (the benchmark index) over a rolling 3 year period.

The Fund will invest primarily in investment grade corporate bonds (which are like loans that can pay a fixed or variable interest rate) that are priced in sterling or in other currencies which are then hedged back to sterling.

The bond ratings are determined by international agencies that provide such ratings. Although the Fund will invest primarily in investment grade bonds, it can also invest up to 20% of its value in non-investment grade (higher-yielding) bonds, government bonds or asset backed securities. Non-investment grade bonds, whilst potentially producing a higher level of income than investment grade bonds, are considered to be higher risk. Asset back securities are bonds linked to assets which provide some security on the investment. Examples of these are securities which are backed by mortgages on residential and commercial property, loans on automobiles and loans to small or medium sized businesses.

'Interest rate duration' indicates how price sensitive a bond is to changes in interest rate; the longer a bond's duration, the more sensitive its price is likely to be to changing interest rates. The average duration of the Fund's portfolio as a whole will be within two years (plus or minus) of the benchmark index.

The Fund will aim to reduce the effect of exchange rate movements in the underlying investments relative to the base currency of the Fund. However, these hedging techniques may not be fully effective in completely removing the exchange rate risk.

The Fund will only use derivative instruments for the purposes of efficient portfolio management, with the aim of managing risk and cost.

Any income this share class generates will be reinvested to grow the value of your investment.

You can buy and sell shares on any business day in London.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 5 years.

For full investment objectives and policy details please refer to the prospectus.

### Risk and reward profile

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

**Typically lower rewards, lower risk** ← → **Typically higher rewards, higher risk**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

- The Fund is ranked at 4 because funds of this type have experienced average 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 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.
- There may be cases where the organisation from which we buy a bond fails to carry out its obligations, which could cause losses to the Fund.
- There is no guarantee that an asset which provides the security for a bond will maintain its value.
- Currency risk reduction techniques can have an effect on the value of your investment and on the performance of the share class.
- Derivatives can be used to help reduce risk but may not be fully successful. Derivatives can also reduce gains you may otherwise have made.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Fund's performance, potentially reducing your returns.
- For further risk information please see the prospectus.

# MI TwentyFour AM – Core Corporate Bond Fund

## Fund Information

### Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 5.00% |
| Exit charge | 0.00% |

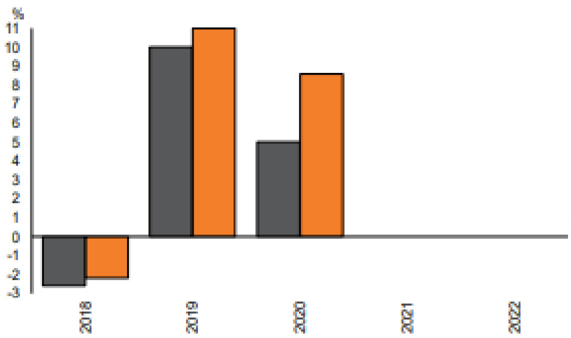
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

| Charges taken from the Fund over a year | |
|---|---|
| Ongoing charges | 0.40% |

| Charges taken from the Fund under specific conditions | |
|---|---|
| Performance fee | NONE |

- Switching charge (for switching into the Fund from another fund) 0.05%.
- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- For the ongoing charge, the figure is as at 30 September 2022.
- You may also be charged a dilution levy on entry to or exit from the Fund, this is to cover costs associated with your transaction.
- Certain charges are deducted from the capital of the Fund. This may allow more income to be paid but it may also restrict capital growth.
- For more information about charges, please see the prospectus.

### Past performance




| | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| Fund | -2.6 | 10.0 | 5.0 | | |
| Index* | -2.2 | 11.0 | 8.6 | | |

Source: FE fundinfo 2023

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 25/01/2016.
- Share/unit class launch date: 27/10/2017.
- Performance is calculated in GBP.
- * Markit iBoxx GBP Corporates

### Practical information

- This document is issued by Apex Fundrock Ltd and contains information on the A Gross Accumulation Shares only ("MI" and "MI Funds" are trading names of the ACD).
- Each fund of the Company has its own pool of assets and liabilities, segregated by law. If one fund were unable to pay for its liabilities the assets of the other funds could not be used to pay for those liabilities.
- You can get further detailed information regarding the Fund, including details of the investment manager and how to switch, buy and sell shares and other share classes available, within the prospectus, the supplementary information document and the annual and half yearly managers' reports. You can get these free of charge from Apex Fundrock Ltd, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or from our website: www.fundrock.com. These are available in English only. You can also call us on 0345 026 4286, or look on our website for the latest share prices.
- Details of the ACD's remuneration policy (including a description of how remuneration and benefits are calculated, the composition of the remuneration committee and the identities of persons responsible for awarding remuneration and benefits) are available at www.fundrock.com/mi-fund-data or by requesting a paper copy free of charge (see above for contact details).
- The Depositary of the Fund is Northern Trust Investor Services Limited.
- Please note that the tax laws of the United Kingdom may impact your own tax position.
- Apex Fundrock Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

## MI TwentyFour AM – Dynamic Bond Fund

## Sub-Fund Overall Value Assessment score 31st March 2023

The ACD has produced an overall assessment of value for the Fund taking into account the value provided across all the services that underpin the management and operation of the Fund, using the criteria set out in the Regulations and described in this document. The performance of the 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".

| |
|---|
| Good |

## Sub-Fund Performance 31st March 2023

The MI TwentyFour Dynamic Bond Fund has a stated objective of providing an attractive level of income with an opportunity of providing capital growth, the Fund managers also reference the Fund's performance against the ICE BoAML Global Bond Mkt Index. Over the last 12 months the Fund has produced a negative return as bond markets have suffered from much higher-than-expected inflation, the MI TwentyFour Dynamic Bond Fund also underperformed the ICE BoAML Global Bond Market Index. Bond yields in all markets rose significantly during the period and in the UK, bonds were especially volatile because of the impact of rising yields on LDI funds. Later in the period bonds issued by banks were impacted by the collapse of Silicon Valley Bank and the merger of CSFB with UBS. All these events negatively impacted the MI TwentyFour Dynamic Bond Fund.

Over three and five years the Fund has produced a small positive total return and has beaten the ICE BoAML Global Bond Market Index. When the Fund is compared to other comparable funds over three and five years it has outperformed over three years and is broadly in line over five years. Over the last 12 months the Fund has not performed as well as competitors.

| | |
|---|---|
| 1 Year | Fair |
| 3 Years | Good |
| 5 Years | Good |

***Investors should recognise that the Fund is actively managed and is SRRI risk rated 4 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:

**Portfolio Commentary**

*Given an environment of persistently high inflation (and Central Bank policy that for much of the past decade had been near or below zero), the portfolio managers had kept interest rate duration near the lows of the cycle at the start of the period, with a government bond exposure that was primarily invested in 1 and 2 year Treasuries, overlayed with a GBP interest rate swap (that allowed the portfolio to profit from rising rates).*

*The start of the recording period saw the portfolio managers take advantage of the rate increases the market observed across government bond curves and steadily increase interest rate duration through the first few months of the financial year. The Sub-fund saw its exposure of 10-year Treasuries increase from 0% at the beginning of April, to approximately 3.5% by the end of the month, 5% by the end of May, and 11% by the end of the first quarter. This was done at increasing purchase yields, with the initial allocation entered into at yields of approximately 2.7%, but the position more meaningfully added to above yields of 3%. The portfolio managers gradually sold down the interest rate swap over the same time period.*

*Whilst government bond yields increased meaningfully through the first quarter, credit spreads also widened, leading to very weak performance across credit markets, particularly in June (off the back of a weaker than expected inflation print in the US and a meaningful shift higher in terminal rate expectations). Sentiment rebounded quickly though, with July performance strong, and the portfolio managers used the strength to reduce their exposure to the sectors most exposed to a recession, US, and European high yield. Whilst corporate balance sheets remained robust, the relative value on offer in high yield vs financials and Collateralized Loan Obligations ('CLOs') had become less attractive, so the portfolio managers continued their path to a higher liquidity allocation, funding it with lower quality credit. Indeed, the exposure of European high yield in particular went from 16.1% at the beginning of the first quarter to 13.7% at the end of August.*

*September was another volatile month for financial markets as an inflation beat yet again drove yields higher, followed by the UK's "mini-budget" crisis, that saw an announcement of a largely unfunded fiscal plan trigger LDI margin calls across pension funds and a significant sell-off in Gilt yields. The portfolio managers used the selloff across rates curves to continue to increase their exposure to government bonds, with the "liquidity" allocation (cash + government bonds, net of FX) by the end of the month reaching approximately 18.5%.*

*The market started to get clarity on a number of issues that had driven the volatility through the year in the third quarter. Inflation started to roll over at the same time expectations around energy in Europe materially improved, so given light positioning at the end of September 2022 and a number of positive catalysts the market rallied strongly through October 2022 and November 2022. The new issue market started to reopen, and the team used the primary market and the more positive backdrop to continue to rotate up in quality, trimming high yield whilst maintaining large liquidity buffers, something they continued to do through December 2022.*

*2023 started off on the front foot, with risk markets rallying across the board and the new issue market in credit opening more meaningfully. Investment grade issuance was particularly strong, across both financial and non-financial, and the portfolio managers continued to look for relative value opportunities across the portfolio whilst increasing credit quality within the Sub-fund. Liquidity started the beginning of 2023 (start of financial fourth quarter) at approximately 26%, after having risen meaningfully through the third quarter, the majority of which was funded out of high yield in both Europe and the US.*

*Risk markets continued to perform through the first half of February, before taking a step back as Jerome Powell and other central bankers guided the market to rates that were going to go higher than the market was pricing, and importantly, stay there for longer (this coincided with inflation data that turned stronger than expected after a number of weak prints at the back end of 2022). The weakness continued into March, compounded by the bankruptcy of SVB and Signature Bank in the US, and the forced takeover of Credit Suisse by UBS in Europe. The portfolio saw declines in the Additional Tier 1 sector after the take-over announcement (and a surprising decision by the Swiss regulator to write down CS AT1), with the exposure to the sector falling from 23.1% to 20.4% through the month, largely driven by price movements. Valuations in the sector, however, were at historic highs, and the team used the volatility in the financials sector to increase their exposure to senior and T2 bank debt, consistent with the trend to higher quality credit observed through the year.*

**Market Outlook and Strategy**

*The market is currently closely following the US regional banking crisis to determine whether the consequences will have a wider ranging effect on the global economy. More broadly, with a slowdown expected within the next 12 months the market is still looking for further clarity as to what this will look like; ranging from a soft landing with a limited increase in the unemployment rate and growth remaining resilient, to a hard landing which sees a spike in job losses and a sharp fall in GDP. The team will be looking at major lead indicators to gain clarity. Prime Minister has elevated liquidity in the portfolio which allows flexibility to change quickly as we gain more clarity on what the slowdown will look like. Whilst also moving up in credit quality across the Sub-fund to ensure resilience in the potential slowdown. Furthermore, Prime Minister has kept credit spread duration short – this is to reduce volatility and benefit from pull to par, with curves very flat or inverted yields are still very attractive in the short end.*

The Sub-fund returned a negative 8.88% (Class I Accumulation Gross) for the year.

# Fund Information

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Dynamic Bond Fund ("the Fund")
## A Accumulation Shares

This is a sub fund of MI TwentyFour Investment Funds. The Fund is an Open Ended Investment Company. ISIN: GB00B5KPRZ34. Apex Fundrock Ltd is the Authorised Corporate Director of the Fund ("MI" and "MI Funds" are trading names of the ACD).

### Objectives and investment policy

The Fund aims to provide income and grow your investment.

The Fund will invest in a broad range of bonds (which are loans that pay a fixed or variable rate of interest) issued by companies or governments from around the world. The Fund has a highly flexible investment policy which allows it to take advantage of current market conditions and future expectations.

The bonds will be 'investment grade' and 'non-investment grade', as determined by international agencies that provide such ratings. Investment grade bonds, whilst potentially producing a lower level of income than non-investment grade bonds, are considered to be lower risk.

The Fund will aim to reduce the effect of exchange rate movements in the underlying securities relative to the base currency of the Fund. However, these techniques may not be fully effective in completely removing the exchange rate risk.

The Fund may use derivative instruments (such as futures, options and interest rate and credit derivatives) for investment purposes. Derivatives are linked to the rise and fall of other assets. The price movements in these assets can result in movements of the Fund's share price.

The Fund can also use derivative instruments for the purposes of efficient portfolio management, with the aim of managing risk and cost.

Any income this share class generates will be reinvested to grow the value of your investment.

You can buy and sell shares on any business day in London.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 4-5 years.

For full investment objectives and policy details please refer to the prospectus.

### Risk and reward profile

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

| Typically lower rewards, lower risk | | | | | | Typically higher rewards, higher risk |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | **4** | 5 | 6 | 7 |

- This Fund is ranked at 4 because funds of this type have experienced average 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 Fund:
- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- There is no guarantee that an asset which provides the security for a bond will maintain its value.
- The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- Derivatives can be used to help reduce risk but may not be fully successful. Derivatives can also reduce gains you may otherwise have made.
- Currency risk reduction techniques can have an effect on the value of your investment and on the performance of the share class.
- 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.
- There may be cases where the organisation from which we buy a bond fails to carry out its obligations, which could cause losses to the Fund.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Fund's performance, potentially reducing your returns.
- For further risk information please see the prospectus.

# MI TwentyFour AM – Dynamic Bond Fund

## Fund Information

### Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 5.00% |
| Exit charge | 0.00% |

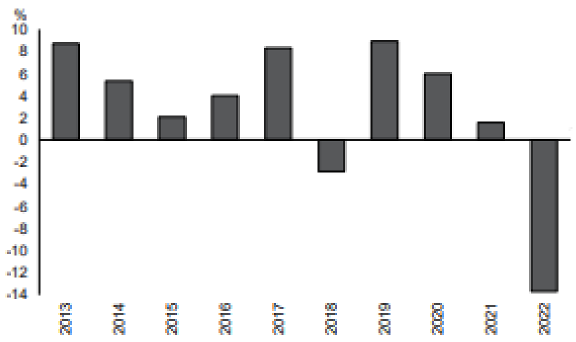
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

| Charges taken from the Fund over a year | |
|---|---|
| Ongoing charges | 1.29% |

| Charges taken from the Fund under specific conditions | |
|---|---|
| Performance fee | NONE |

- Switching charge (for switching into the Fund from another fund) 0.05%.
- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- For the ongoing charge, the figure is as at 30 September 2022.
- You may also be charged a dilution levy on entry to or exit from the Fund, this is to cover costs associated with your transaction.
- 50% of certain charges are deducted from the capital of the Fund. This may allow more income to be paid but it may also restrict capital growth.
- For more information about charges, please see the prospectus.

### Past performance




| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 8.7 | 5.3 | 2.1 | 4.0 | 8.3 | -2.9 | 8.9 | 6.0 | 1.6 | -13.7 |

Source: FE fundinfo 2023

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 26/04/2010.
- Share/unit class launch date: 26/04/2010.
- Performance is calculated in GBP.

### Practical information

- This document is issued by Apex Fundrock Ltd and contains information on the A Accumulation Shares only ("MI" and "MI Funds" are trading names of the ACD).
- Each fund of the Company has its own pool of assets and liabilities, segregated by law. If one fund were unable to pay for its liabilities the assets of the other funds could not be used to pay for those liabilities.
- You can get further detailed information regarding the Fund, including details of the investment manager and how to switch, buy and sell shares and other share classes available, within the prospectus, the supplementary information document and the annual and half yearly managers' reports. You can get these free of charge from Apex Fundrock Ltd, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or from our website: www.fundrock.com. These are available in English only. You can also call us on 0345 026 4286, or look on our website for the latest share prices.
- Details of the ACD's remuneration policy (including a description of how remuneration and benefits are calculated, the composition of the remuneration committee and the identities of persons responsible for awarding remuneration and benefits) are available at www.fundrock.com/mi-fund-data or by requesting a paper copy free of charge (see above for contact details).
- The Depositary of the Fund is Northern Trust Investor Services Limited.
- Please note that the tax laws of the United Kingdom may impact your own tax position.
- Apex Fundrock Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

# MI TwentyFour AM – Focus Bond Fund

## Sub-Fund Overall Value Assessment score 31st March 2023

The ACD has produced an overall assessment of value for the Fund taking into account the value provided across all the services that underpin the management and operation of the Fund, using the criteria set out in the Regulations and described in this document. The performance of the 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".

| |
|---|
| Good |

## Sub-Fund Performance 31st March 2023

The MI TwentyFour Focus Bond Fund has a stated objective of providing an attractive level of income with an opportunity of providing capital growth, the fund managers also reference the Fund's performance against the ICE BoAML Global Bond Mkt Index. Over the last 12 months the Fund has produced a negative return as bond markets have suffered from much higher-than-expected inflation, the MI TwentyFour Focus Bond Fund also underperformed the ICE BoAML Global Bond Market Index. Bond yields in all markets rose significantly during the period and in the UK, bonds were especially volatile because of the impact of rising yields on LDI funds. Later in the period bonds issued by banks were impacted by the collapse of Silicon Valley Bank and the merger of CSFB with UBS. All these events negatively impacted the MI TwentyFour Focus Bond Fund.

Over three and five years the Fund has produced a small positive total return and has beaten the ICE BoAML Global Bond Market Index. When the Fund is compared to other comparable funds over three and five years it has outperformed over three years and is broadly in line over five years. Over the last 12 months the Fund has not performed as well as competitors.

| | |
|---|---|
| 1 Year | Fair |
| 3 Years | Good |
| 5 Years | Good |

***Investors should recognise that the Fund is actively managed and is SRRI risk rated 4 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:

**Portfolio Commentary**

*Persistently high inflation drove central bank policy rates aggressively higher in the financial year, and forecasts for economic growth and unemployment deteriorated as the year progressed. Whilst corporate and consumer balance sheets came into the year in position of strength, the Portfolio Managers through the year became more cautious on fundamentals and progressively increased liquidity and their exposure to government bonds, whilst decreasing their exposure to corporate high yield.*

*The asset allocation remained fairly consistent through the first quarter, with only small increases in the teams favoured sectors (Collateralized Loan Obligations ('CLOs') and financials) at the expense of high yield. In the second quarter, strong Sub-fund inflows*

*saw the cash balance in the Sub-fund rise from approximately 1.4% to 11.9% (net of FX), which the team began to meaningfully invest in the third quarter after the steep sell off in credit markets seen in September, where higher than expected inflation and the UK's "mini-budget" caused rates and credit to move significantly wider.*

*In the third quarter, and towards the end of 2022, the team took the cash balance back down to 1.8% (net of FX), allocating to CLOs, non-AT1 banks, and government bonds in particular. The government bond allocation went from approximately 3% at the end of the second quarter, to just under 10% at the end of the third quarter, with the team not only increasing their exposure to T-Bills but also 5-year Treasuries. Against this, the allocation to high yield, particularly in Europe, declined meaningfully, with the exposure falling from just over 27% at the end of the first quarter to approximately 17.4% by the end of the third quarter, consistent with the "up in quality" theme through the year.*

*The rally in the third quarter, driven by clarity on some of the issues that had driven markets in 2022, continued into the fourth quarter, with new issuance in particular picking up significantly (primarily in the investment grade financials space). The team continued to look at relative value opportunities within the Sub-fund, again rotating out of high yield and into higher quality credit, including insurance and investment grade non-financial (the combined exposure to these two sectors increased by 4.7% through the fourth quarter). The volatility in the banking sector in March also drove some interesting opportunities in the space, and the team opportunistically added some exposure to senior and T2 bank debt through the month.*

**Market Outlook**

*The market is currently closely following the US regional banking crisis to determine whether the consequences will have a wider ranging effect on the global economy. More broadly, with a slowdown expected within the next 12 months the market is still looking for further clarity as to what this will look like; ranging from a soft landing with a limited increase in the unemployment rate and growth remaining resilient, to a hard landing which sees a spike in job losses and a sharp fall in Gross Domestic Product ('GDP'). The team will be looking at major lead indicators to gain clarity. Portfolio Managers ('PMs') have been moving up in credit quality across the Sub fund to ensure resilience in the potential slowdown. Furthermore, PMs have kept credit spread duration short – this is to reduce volatility and benefit from pull to par, with curves very flat or inverted yields are still very attractive in the short end.*

The Sub-fund returned a negative 7.11% (Class A Income Gross with dividends reinvested) for the year.

# MI TwentyFour AM – Focus Bond Fund

## Fund Information

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Focus Bond Fund ("the Fund")
## A Gross Income Shares

This is a sub fund of MI TwentyFour Investment Funds. The Fund is an Open Ended Investment Company. ISIN: GB00B7J5ND87.
Apex Fundrock Ltd is the Authorised Corporate Director of the Fund ("MI" and "MI Funds" are trading names of the ACD).

### Objectives and investment policy

The Fund aims to provide income and grow your investment.

The Fund will invest in a broad range of fixed income assets (which are loans that pay a fixed or variable rate of interest) with an emphasis on capital preservation issued by companies or governments from around the world. The focus of the Fund's investment strategy is in bonds paying a higher level of income with expected maturity dates of up to 5 years. The focus of the investment strategy may however change over time as other opportunities present themselves.

The bonds will be 'investment grade' and 'non-investment grade', as determined by international agencies that provide such ratings. Non-investment grade bonds, whilst potentially producing a higher level of income than investment grade bonds, are considered to be higher risk.

The Fund will aim to reduce the effect of exchange rate movements in the underlying securities relative to the base currency of the Fund. However, these techniques may not be fully effective in completely removing the exchange rate risk.

The Fund may use derivative instruments (such as interest rate and credit derivatives) for investment purposes. Derivatives are linked to the rise and fall of other assets. The price movements in these assets can result in movements of the Fund's share price.

The Fund can also use derivative instruments for the purposes of efficient portfolio management, with the aim of managing risk and cost.

Any income this share class generates will be paid out to you.

You can buy and sell shares on any business day in London.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 4-5 years.

For full investment objectives and policy details please refer to the prospectus.

### Risk and reward profile

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

**Typically lower rewards, lower risk** — **Typically higher rewards, higher risk**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | **4** | 5 | 6 | 7 |

- This Fund is ranked at 4 because funds of this type have experienced average 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 Fund:
- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- There is no guarantee that an asset which provides the security for a bond will maintain its value.
- The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- Derivatives can be used to help reduce risk but may not be fully successful. Derivatives can also reduce gains you may otherwise have made.
- Currency risk reduction techniques can have an effect on the value of your investment and on the performance of the share class.
- 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.
- There may be cases where the organisation from which we buy a bond fails to carry out its obligations, which could cause losses to the Fund.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Fund's performance, potentially reducing your returns.
- For further risk information please see the prospectus.

This Fund is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Apex Fundrock Ltd is authorised in the United Kingdom and regulated by the Financial Conduct Authority

# MI TwentyFour AM – Focus Bond Fund

# Fund Information

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 5.00% |
| Exit charge | 0.00% |

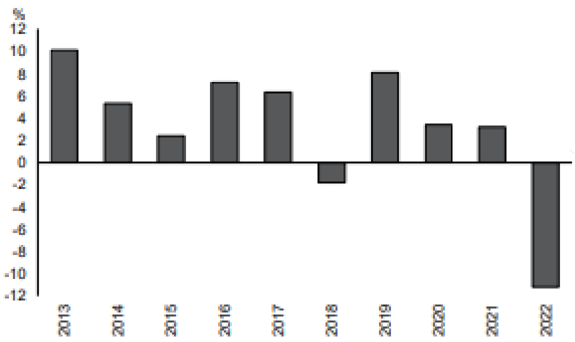
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

| Charges taken from the Fund over a year | |
|---|---|
| Ongoing charges | 0.62% |

| Charges taken from the Fund under specific conditions | |
|---|---|
| Performance fee | NONE |

- Switching charge (for switching into the Fund from another fund) 0.05%.
- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- For the ongoing charge, the figure is as at 30 September 2022.
- You may also be charged a dilution levy on entry to or exit from the Fund, this is to cover costs associated with your transaction.
- Certain charges are deducted from the capital of the Fund. This may allow more income to be paid but it may also restrict capital growth.
- For more information about charges, please see the prospectus.

## Past performance




| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 10.1 | 5.3 | 2.4 | 7.2 | 6.3 | -1.8 | 8.1 | 3.4 | 3.2 | -11.2 |

Source: FE fundinfo 2023

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 29/02/2012.
- Share/unit class launch date: 29/02/2012.
- Performance is calculated in GBP.

## Practical information

- This document is issued by Apex Fundrock Ltd and contains information on the A Gross Income Shares only ("MI" and "MI Funds" are trading names of the ACD).
- Each fund of the Company has its own pool of assets and liabilities, segregated by law. If one fund were unable to pay for its liabilities the assets of the other funds could not be used to pay for those liabilities.
- You can get further detailed information regarding the Fund, including details of the investment manager and how to switch, buy and sell shares and other share classes available, within the prospectus, the supplementary information document and the annual and half yearly managers' reports. You can get these free of charge from Apex Fundrock Ltd, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or from our website: www.fundrock.com. These are available in English only. You can also call us on 0345 026 4286, or look on our website for the latest share prices.
- Details of the ACD's remuneration policy (including a description of how remuneration and benefits are calculated, the composition of the remuneration committee and the identities of persons responsible for awarding remuneration and benefits) are available at www.fundrock.com/mi-fund-data or by requesting a paper copy free of charge (see above for contact details).
- The Depositary of the Fund is Northern Trust Investor Services Limited.
- Please note that the tax laws of the United Kingdom may impact your own tax position.
- Apex Fundrock Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.

# MI TwentyFour AM – Monument Bond Fund

## Sub-Fund Overall Value Assessment score 31st March 2023

The ACD has produced an overall assessment of value for the Fund taking into account the value provided across all the services that underpin the management and operation of the Fund, using the criteria set out in the Regulations and described in this document. The performance of the 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".

| |
|---|
| Good |

## Sub-Fund Performance 31st March 2023

The MI TwentyFour Monument Bond Fund has a stated objective of providing an attractive level of income relative to prevailing interest rates with a strong focus on capital preservation. The fund managers also reference the Fund's performance against SONIA. Over one year the Fund has produced a small positive total return but less than SONIA. Over three and five years the Fund has produced a total return greater than SONIA. The last 12 months has seen the greatest volatility in ABS markets since the 2008-9 financial crisis. The impact of rising bond yields on LDI pension funds in the UK led to a period of stress in ABS markets and this impacted the returns for the period under review. The Fund has performed well relative to comparable funds (although there are few true comparators).

| | |
|---|---|
| 1 Year | Fair |
| 3 Years | Good |
| 5 Years | Good |

***Investors should recognise that the Fund is actively managed and is SRRI risk rated 3 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:

**Portfolio Commentary**

*The portfolio managers were very active at the beginning of the reporting period due to volatility and spread widening in the primary and secondary markets. The timing of inflows was optimal and coincided with a good supply of new deals. The Sub-fund was being run with an elevated level of liquidity, enabling the team to add risk selectively in certain sectors with a series of measured trades, and with the spread widening intensifying in the latter part of the quarter this presented some interesting opportunities in secondary markets as base rates in the UK rose to 1.25% by the end of June. These investments included some AAA UK Non-conforming and Buyto-Let RMBS at a yield close to 2.5%, while also adding some AAA CLOs with a yield of more than 3.5% in Sterling, offering a greater convexity than RMBS. Further down the capital structure, the team added to existing holdings in UK RMBS mezzanine tranches rated A and BBB at enhanced yields, such as some UK NC RMBS issued by a repeat established issuer at more than 5% of yield. In CLOs, the portfolio managers also added BBB from preferred managers at a deep discount in order to benefit from pull-to-par in a market normalisation. Investments were mainly focused mainly in the upper end of* *investment grade to incrementally add a degree of higher rated bonds in the portfolio. The majority of the Sub-fund's activity was concentrated in the secondary market as new issues in the primary were muted due to challenging market conditions. Secondary*

*markets themselves proved to be testing with quite high levels of secondary supply bilaterally and elevated levels of BWIC activity in RMBS, CLOS and CMBS. A lot of the selling was attributed to portfolio rebalancing in other areas of fixed income. Heavy selling resulted in spread widening in all sectors although some stability did return to the market in the last week of the May. UK Prime AAA spreads were around 10bps wider Month on Month ('MoM') to S+50 bps with UK Buy-to-Let ('BTL') and NC AAA widening around 25 bps to S+125/130 respectively for longer duration bonds but these continued to drift wider into further selling pressure in June and, generically senior spreads were now at May 2020 levels. However, this presented an opportunity to add long term income into the Sub-fund, through the acquisition of 4-5 years mezzanine Dutch and UK RMBS for example. By the end of June, the Sub-fund had a mark to market yield of just under 4%, an increase of 1.23% since the start of April, whilst at this stage Base rates remained at 1.25%. for an AA-rated portfolio with a weighted average life of 2.64 years. Overall, the Sub-fund posted negative returns to the end of June due mainly to CLOs, the sector most strongly correlated with the wider market, but equally was running with a higher component of AAA and cash having trimmed BBB exposure a little, in line with asset allocation targets.*

*The portfolio managers maintained elevated liquidity levels at the start of Q3 against the current market backdrop. Fundamental bond performance remained good with multiple rating upgrades seen over the quarter, though the portfolio managers continued to maintain high levels of due diligence on the underlying portfolio. As consumers face continued pressure, the managers prefer residential Mortgage-Backed Securities ('MBS') whose underlying loans are secured and therefore likely prioritised by the borrower over unsecured consumer loans or credit card loans which struggling borrowers are more likely to allow repayments to fall behind. In July, the Subfund added to existing positions in mezzanine BTL RMBS, and CLOs in the secondary market as a welcomed Prime UK RMBS deal in primary slightly adding to the overall liquidity profile of the Sub-fund. August was a quiet month, but the managers were mainly preoccupied with the start of some redemptions in the Sub-fund due to client repositioning in fixed income markets and liquidity raising in their own strategies. As the spread rally continued into mid-August, the managers were able to clip some profits in AAA CLOs added in the previous two months at wider levels and across a mixture of other asset classes and uniform rating basis. The managers were able to add European bank-sponsored auto and consumer exposure at incrementally wider levels in early September, while taking profit in some RMBS positions in the middle of the month, as focus remained on highly liquid senior bonds and cash allocations. This period included a strong positive return in August and a negative return in September, almost all of which came in the last week of September after the UK government's mini budget which caused volatility in all markets. As the highest beta sector of the asset class, CLOs were the hardest hit, whilst the holdings in RMBS provided a positive return over the period. The mark to market yield in the portfolio had grown to 6.31% by the end of September with a forward yield to maturity of just over 10%, reflective of the expectation for further base rate increases and wider spreads.*

*Early in the 4th quarter portfolio manager activity was driven primarily with responding to the UK LDI crisis and balancing requirements for liquidity, market conditions became more constructive in November as the volume of BWIC selling seen in October started to taper off, in line with the perception that the LDI-driven selling was by-and-large completed. The portfolio managers faced redemptions, but the liquidity structure of the Sub-fund helped portfolio managers to use adequate windows of liquidity in the market during the period to fund the redemptions. Most importantly the portfolio managers focussed on selling assets throughout October and November across all sectors (including CLOs, RMBS, CMBS, Auto and consumer ABS) and across all ratings in order to maintain the positioning of the Sub-fund and sufficient liquidity despite the redemptions. The timing of the selling was broadly constructive as spreads had started to retrace the widening seen in recent weeks. The Sub-fund did not face liquidity issues to meet its outflow requirements in a timely manner. Despite broader market weakness in December, ABS market conditions remained constructive. Liquidity observed in ABS across Q4 remained good, first as the aforementioned surge in BWIC volumes helping the market manage October's heavy selling in an orderly fashion, and then as investors and dealers looked to add assets in preferred sectors once the crisis eased. MI TwentyFour Investment Funds*

*With the constructive start to ABS markets in 2023, the Sub-fund has seen a mixture of good net inflows and strong performance over the first quarter balanced with the last redemptions associated with rebalancing by pension funds due to LDI strategies. Being relatively fully invested and positioned in line with asset allocation decisions, trading was muted for the most part across the final month of the Sub-fund year, but the portfolio managers were able to add several positions with accretive value. The portfolio managers were active again in the primary market as deal issuance volume increased from European based originators. The Portfolio Managers took advantage of the healthy new issue premium offered and further improved the liquidity profile of the Sub-fund and added a mix of UK Prime RMBS, various Prime Auto AAAs and AAA bonds from a non-prime lender. AAA CLOs continue to offer good relative value and the Sub-fund added new positions from preferred managers at spreads of around Euro +175/185bps. Also, in primary CLOs the Subfund added BBB tranches in primary at a spread above 600bps which represents a good pick up versus tighter secondary BBB CLO, offering an all-in yield of circa 10%. Additionally, a number of relative value trades in various sectors were traded during the month and the Sub-fund clipped some profits on primary issuance from earlier in the year. Fundamental bond performance remains good with rating upgrades seen over the month. Overall, the Sub-fund saw at strong performance into the year-end returning 2.96% for Q1, with an essentially flat performance in March due to the bank liquidity in the US and Credit Suisse situations causing spreads to widen sharply mid-March before retracing to virtually unchanged in RMBS and ABS when no material selling was observed and there being a bias to adding seen from investors.*

**Market Outlook**

*Floating rate ABS began 2023 well placed with a strong income component through high spreads and increased base rates with more rises expected. Performance caught up in the first two months of the year, but spreads remain wider when compared with corporates and highlights for the sector are expected as follows:*

- *Robust deal performance across mortgages although some weakness expected in consumer pools.*
- *CMBS is expected to be the weakest performer, where CRE valuations are decreasing, and we expect selective loans with short maturities to face refinancing challenges. Other sectors are expected to perform well.*
- *Liquidity conditions have been restored after Q3 volatility and 2023 so far has seen strong and active investor participation which we expect to continue.*
- *Default rates and ratings are expected to outperform in ABS relative to Credit markets. n We anticipate volatility to remain a theme through this late cycle phase and assets with stronger liquidity characteristics are preferred.*
- *EU ABS issuance has surprised to the upside so far in 2023, despite demand driven reductions in lending in Europe, as early year tightening of spreads has accelerated issuer plans. Bank issuance has begun to represent a larger share. This is expected to continue but predicated by the potential for disruption by wider market events.*

The Sub-fund returned a positive 0.76% (Class I Accumulation Gross) for the year.

# MI TwentyFour AM – Monument Bond Fund

## Fund Information

## Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## Monument Bond Fund ("the Fund")
## A Accumulation Shares

This is a sub fund of MI TwentyFour Investment Funds. The Fund is an Open Ended Investment Company. ISIN: GB00B3VH8W86. Apex Fundrock Ltd is the Authorised Corporate Director of the Fund ("MI" and "MI Funds" are trading names of the ACD).

### Objectives and investment policy

The Fund aims to provide a competitive level of income whilst maintaining the capital value of your investment.

The Fund will invest in a range of European and Australian asset-backed securities ("ABS") rated at least BBB- or equivalent at the time of investment. These are bonds (debt securities that pay a floating rate of interest) that are backed by specific pools of financial assets including mortgages and other consumer and corporate debt.

On occasions the Fund may be significantly invested in one particular geographical region.

The Fund will aim to reduce the effect of exchange rate movements in the underlying securities relative to the base currency of the Fund. However, hedging techniques may not be fully effective in completely removing the exchange rate risk.

The Fund may use derivative instruments (such as futures, options and interest rate and credit derivatives) for investment purposes. Derivatives are linked to the rise and fall of other assets. The price movements in these assets can result in movement of the Fund's share price.

The Fund can also use derivative instruments for the purposes of efficient portfolio management, with the aim of managing risk and cost.

Any income this share class generates will be reinvested to grow the value of your investment.

You can buy and sell shares on any business day in London.

Recommendation: this Fund may not be appropriate for investors who plan to withdraw their money within 5 years.

For full investment objectives and policy details please refer to the prospectus.

### Risk and reward profile

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

**Typically lower rewards, lower risk** — **Typically higher rewards, higher risk**

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | **3** | 4 | 5 | 6 | 7 |

- This Fund is ranked at 3 because funds of this type have experienced low to medium 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 Fund:
- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency exchange rates may cause the value of your investment to decrease and increase.
- On occasions the Fund may be significantly invested in particular geographical regions, meaning it will have greater exposure to the market, political and economic risks of those regions than if it was more diversified across a wider number of countries.
- There is no guarantee that an asset which provides the security for a bond will maintain its value.
- The Fund can use derivatives in order to meet its investment objectives or to protect from price and currency movements. This may result in gains or losses that are greater than the original amount invested.
- Derivatives can be used to help reduce risk but may not be fully successful. Derivatives can also reduce gains you may otherwise have made.
- Currency risk reduction techniques can have an effect on the value of your investment and on the performance of the share class.
- 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.
- There may be cases where the organisation from which we buy a bond fails to carry out its obligations, which could cause losses to the Fund.
- In difficult market conditions, the value of some investments may be less predictable than normal and the Fund may not be able to buy and sell these investments at the best time or at a fair price. This could affect the Fund's performance, potentially reducing your returns.
- For further risk information please see the prospectus.

# MI TwentyFour AM – Monument Bond Fund

# Fund Information

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

| One-off charges taken before or after you invest | |
|---|---|
| Entry charge | 5.00% |
| Exit charge | 0.00% |

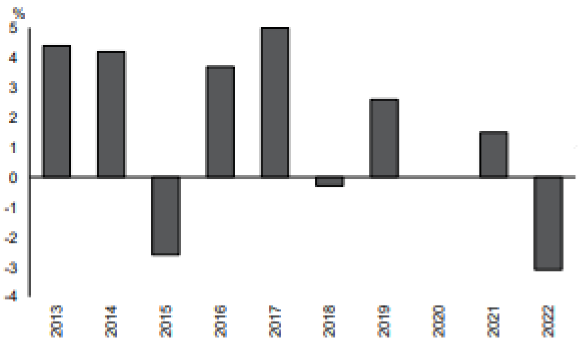
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

| Charges taken from the Fund over a year | |
|---|---|
| Ongoing charges | 1.08% |

| Charges taken from the Fund under specific conditions | |
|---|---|
| Performance fee | NONE |

- Switching charge (for switching into the Fund from another fund) 0.05%.
- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- For the ongoing charge, the figure is as at 30 September 2022.
- You may also be charged a dilution levy on entry to or exit from the Fund, this is to cover costs associated with your transaction.
- 50% of certain charges are deducted from the capital of the Fund. This may allow more income to be paid but it may also restrict capital growth.
- For more information about charges, please see the prospectus.

## Past performance




| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|---|---|---|---|---|
| Fund | 4.4 | 4.2 | -2.6 | 3.7 | 5.0 | -0.3 | 2.6 | 0.0 | 1.5 | -3.1 |

Source: FE fundinfo 2023

- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 10/08/2009.
- Share/unit class launch date: 10/08/2009.
- Performance is calculated in GBP.

## Practical information

- This document is issued by Apex Fundrock Ltd and contains information on the A Accumulation Shares only ("MI" and "MI Funds" are trading names of the ACD).
- Each fund of the Company has its own pool of assets and liabilities, segregated by law. If one fund were unable to pay for its liabilities the assets of the other funds could not be used to pay for those liabilities.
- You can get further detailed information regarding the Fund, including details of the investment manager and how to switch, buy and sell shares and other share classes available, within the prospectus, the supplementary information document and the annual and half yearly managers' reports. You can get these free of charge from Apex Fundrock Ltd, Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY or from our website: www.fundrock.com. These are available in English only. You can also call us on 0345 026 4286, or look on our website for the latest share prices.
- Details of the ACD's remuneration policy (including a description of how remuneration and benefits are calculated, the composition of the remuneration committee and the identities of persons responsible for awarding remuneration and benefits) are available at www.fundrock.com/mi-fund-data or by requesting a paper copy free of charge (see above for contact details).
- The Depositary of the Fund is Northern Trust Investor Services Limited.
- Please note that the tax laws of the United Kingdom may impact your own tax position.
- Apex Fundrock Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.