Schroder UK Mid Cap Fund plc

Half Year Report and Accounts

For the six months ended
31 March 2023

Key messages

- A high conviction portfolio targeting around 40-50 holdings, with the goal of delivering a return in excess of the FTSE 250 ex Investment Trusts Index, offering exposure to a wide spectrum of investment sectors and themes and both UK and overseas earnings.
- The Portfolio Manager seeks out resilient or unique companies that are capable of delivering high risk-adjusted returns with rising cash flows and earnings. They can be disruptors, which challenge the status quo within the marketplace, or established companies which can grow sustainably as they reinvent themselves in response to the disruption. Resilience comes from strong finances, leading ESG/sustainability practices and clear strategic direction.
- The investment process is proven and repeatable, having generated returns of 10.5% per annum versus 10.1% per annum for the Benchmark since Schroders became the Manager in 2003*.

  **Source: Schroders, Morningstar, 1 May 2003 to 31 March 2023. Net asset value total return compared to the Benchmark of the FTSE All-Share ex Investment Trusts ex FTSE 100 TR Index until 2011, and subsequently the FTSE 250 ex Investment Trusts Index. Past performance is not a guide to future performance and may not be repeated.*

Investment objective

Schroder UK Mid Cap Fund plc's (the "Company") investment objective is to invest in mid cap equities with the aim of providing a total return in excess of the FTSE 250 ex Investment Trusts Index.

Investment policy

The Manager applies a high conviction approach, managing a focused portfolio of resilient companies that are all capable of delivering excess risk-adjusted returns with rising cash flows and earnings. Fundamental research forms the basis of each investment decision taken by the Manager.

The Company will predominantly invest in companies from the FTSE 250 Index, but may hold up to 20% of its portfolio in equities and collective investment vehicles outside the benchmark index.

The Company may also invest in other collective investment vehicles where desirable, for example to provide exposure to specialist areas within the universe.

The Company has the ability to use gearing for investment purposes up to 25% of total assets.

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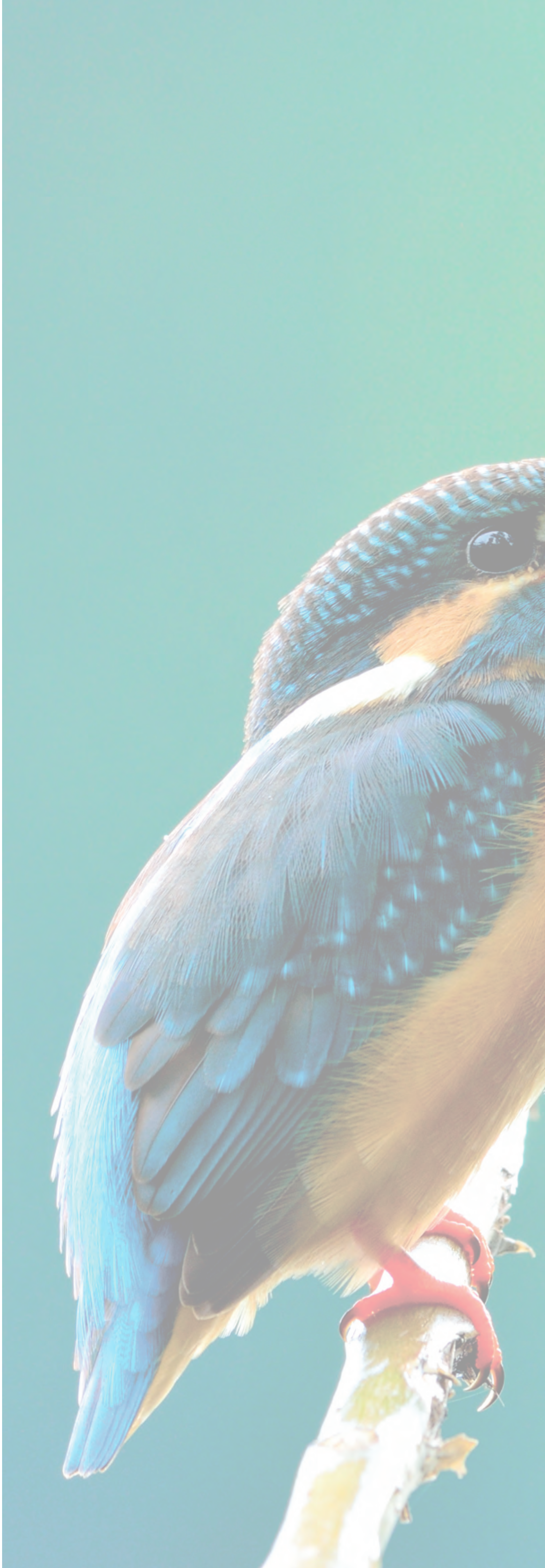

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Financial Highlights

Total returns for the six months ended 31 March 2023[1]

+18.5%
Net asset value ("NAV") per share

+18.7%
Share price

+15.0%
Benchmark[2]

[1]Total returns represent the combined effect of any dividends paid, together with the rise or fall in the share price or NAV per share. Total return statistics enable the investor to make performance comparisons between investment companies with different dividend policies. Any dividends received by a shareholder are assumed to have been reinvested in either additional shares of the Company at the time the shares were quoted ex-dividend (to calculate the share price total return) or in the assets of the Company at its NAV per share (to calculate the NAV per share total return).

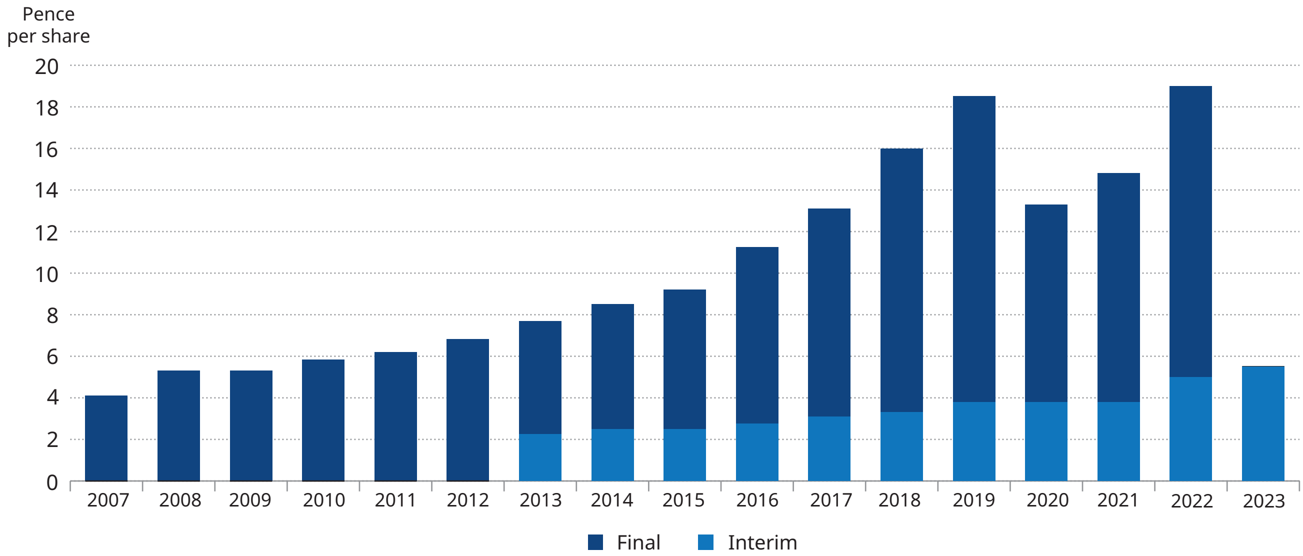
[2]Source: Thomson Reuters. The Company's benchmark is the FTSE 250 ex-Investment Trusts Index.

Other financial information

	31 March 2023	30 September 2022	% Change
Shareholders' funds (£'000)	**217,361**	187,393	+16.0
Shares in issue	**34,581,190**	34,581,190	–
NAV per share (pence)	**628.55**	541.89	+16.0
Share price (pence)	**556.00**	480.00	+15.8
Share price discount to NAV per share (%)	**11.5**	11.4	
Gearing (%)[1]	**8.8**	10.8	

[1] Borrowings used for investment purposes, less cash, expressed as a percentage of net assets.

Dividend record since 2007



Chairman's Statement

Investment and share price performance

During the six-month period to 31 March 2023, the Company's net asset value total return ("NAV") rose by 18.5%, comfortably outperforming the 15.0% return of the Company's Benchmark (FTSE 250 ex Investment Trusts Index). The share total return price rose by 18.7% over the period.

More detailed comment on the performance of your Company can be found in the Portfolio Manager's review.

Dividend

As portfolio income continues to recover the Board is pleased to announce an increased interim dividend of 5.5 pence per share for the financial year ending 30 September 2023, an increase of 10%. This will be payable on 4 August 2023 to shareholders registered at the close of business on 14 July 2023.

Discount management

The discount started and ended the period around the 11% mark, which is broadly in line with the Company's mid cap listed peers. The Board regularly monitors the discount and will continue to consider share repurchases should it widen to a level at which the Board believes buy-backs are in shareholders' best interests. During the six-month period to 31 March 2023, the Company did not buy back any shares.

Gearing

Net gearing as at 31 March 2023 was 8.8% versus 10.8% at the beginning of the period with £25.0 million of the Company's Revolving Credit Facilities deployed. It is expected that the Manager will continue to use this gearing to take advantage of attractive new investment opportunities and to participate in capital raisings by portfolio companies.

Outlook

After a challenging financial year for the Company in 2022 it is most pleasing to report a period of strong performance during the first six months of the current financial year. Despite the ongoing challenges of stubbornly high inflation and increasing UK rates, investor sentiment has much improved in 2023 and there are some good reasons for optimism in the outlook. Energy prices have decreased to more sustainable levels, relieving pressure on businesses and households, and inflation, though still elevated, seems like it may have peaked. Though the conflict in Ukraine continues and the associated geopolitical risks remain, a more stable domestic political environment has helped calm UK markets and improve sentiment.

Portfolio performance was strong during the period and more details can be found in the Portfolio Manager's review regarding the drivers of this performance. There are many reasons to be optimistic about the outlook for UK mid caps and the Company's portfolio. The portfolio contains many companies with strong balance sheets which have been resilient through a challenging period, continuing to grow earnings and margins. Many of these companies' unique offerings have allowed them to pass through costs to their customers enabling them to thrive in an inflationary environment. The UK stock market remains cheap relative to many other global markets on traditional valuation measures. Given these clear valuation opportunities, it is unlikely that elevated interest from foreign buyers, such as Private Equity funds, will abate anytime soon, with domestically focused mid caps being particularly attractive. While investors should never be complacent given the complex international situation, still sticky levels of inflation and the risk of higher interest rates in the UK, the overall outlook has improved from the beginning of the financial year and the Board remains optimistic that the Portfolio Managers can continue to find attractive investment opportunities with the prospect of long-term returns for shareholders.

Robert Talbut
Chairman

27 June 2023

Portfolio Manager's Review

Market Background

UK equities rose over the period helped in part as the country emerged from its self-inflicted crisis, when the former prime minister ("PM") and chancellor announced huge fiscal stimulus, with little regard to how it would be funded. Many of the policies announced with September's 2022 'mini-budget' were reversed and the new chancellor Jeremy Hunt used the Autumn Statement to emphasise fiscal discipline. These developments supported a strong recovery by domestically focussed areas which also bounced back as it transpired the UK economy had performed resiliently during the energy crisis. Data from the Office for National Statistics revealed that the UK economy had not contracted in Q4 2022, contrary to consensus expectations. As a result, the economy dodged a technical recession by dint of avoiding two consecutive quarters of decline following the contraction recorded for Q3 2022. More broadly, economically sensitive areas of UK equities outperformed in line with other markets. This occurred amid hopes that the US Federal Reserve might be in a position to 'pivot' to cutting interest rates in late 2023.

Portfolio Performance

The portfolio NAV achieved a return of 18.5% during the period, outperforming the Benchmark by 3.5%. Similarly, the share price returned 18.7%, and so the discount, which began the period at 11.4%, widened slightly to 11.5%. Gearing was a positive factor.

Stock-picking in the Consumer Discretionary sector, alongside our underweight in the Real Estate sector, contributed strongly to performance. Healthy absolute returns in Consumer Discretionary were driven by a combination of stock selection and more resilient consumer spending than the market anticipated. Pressure on the Real Estate sector has been relentless in what we must admit is a more normal interest rate environment.

At a stock specific level, homewares retailer, **Dunelm**, continued to bounce back from its oversold position at the end of September 2022, when concern around consumer-focused stocks was at peak levels. Dunelm has continued to trade strongly, taking market share in both its core homewares sector and in furniture. The company is continuing to benefit from people spending increased time in their homes, partly driven by more home-working, and also, presumably, because of a desire to save money, now that the excitement of being able to eat in a restaurant again has receded. The announced 40p special dividend emphasises both the momentum in the business and its cash generative nature.

Share buy-backs were a common factor amongst some of our top performing holdings, including commercial vehicle fleet operator, **Redde Northgate**, and UK specialist bank, **Paragon Banking Group**, which is exposed to the residential buy-to-let market, and proving very resilient. **Games Workshop**, the company behind the Warhammer franchise, performed very well on the back of news it had struck an agreement in principle with *Amazon* to develop its intellectual property into film and TV productions. We have long seen scope for the company to selectively licence its intellectual property to grow the fan base and create a truly global franchise. The *Amazon* deal has brought this potential to the attention of the wider market.

4Imprint, the promotional products business with over 98% of revenues coming from North America, continues to enjoy rapid post-pandemic growth. 2022 results revealed 45% revenue growth and record operating profit. With just 5% market share of an industry that is transitioning online, 4Imprint's leading digital marketing skills position it well for further market share gains.

The largest detractor to performance was cyber security business, **NCC**. In the second half of its financial year 2023, NCC experienced softening demand for its services, as large US West Coast technology customers deferred buying decisions. Margins are also being squeezed from cheaper, overseas competition, although the resilience of NCC's profitable escrow business is mitigating some of the pressure.

Payments specialist, **PayPoint**, underperformed as the market digested its acquisition of multi-retailer redemption product provider Appreciate Group. However, the company has, in early June 2023, reported a positive year-end trading update, stating that "profit before tax for the financial year ended 31 March 2023 will be at the top end of the range of market expectations, driven by the strong momentum across the business." Mining royalties business, **Ecora Resources**, delivered results that fell marginally short of expectations. In the last two years, the business has begun to move away from being a predominantly coal weighted business, using the supernormal profits from this commodity to pivot towards commodities that will enable the energy transition.

High performance polymer business **Victrex** underperformed on the back of full year results which revealed gross margin weakness. The company saw substantial inflation in raw material and energy costs, which it was only able to pass through at a lag. We continue to think the business is well-placed, with a 50% capacity share of the niche, high margin polyetheretherketone ("PEEK") market, a very solid balance sheet and a low valuation relative to its history.

After a strong run in the previous six months, defence business **QinetiQ** gave back some ground. However, post period end, the company reported strong operating results together with a significant upgrade to its long-term profit guidance, driven by increased opportunities in the Security and Intelligence markets.

Portfolio Manager's Review

Stocks held – significant positive and negative contributions versus the Benchmark

Positive contributor	Portfolio weight[1] (%)	Weight relative to Benchmark (%)	Relative perfor-mance[2] (%)	Impact[3] (%)
Dunelm	3.7	+3.2	+48.4	+1.3
Games Workshop	3.4	+2.3	+55.0	+1.0
4Imprint	3.4	+2.9	+27.1	+0.7
Oxford Instruments	3.1	+2.6	+25.7	+0.6
Paragon Banking	2.5	+1.9	+21.0	+0.5

Negative contributor	Portfolio weight[1] (%)	Weight relative to Benchmark (%)	Relative perfor-mance[2] (%)	Impact[3] (%)
NCC	1.1	0.9	-67.1	-0.7
Paypoint	1.1	1.1	-36.4	-0.5
Ecora Resources	1.2	1.2	-35.3	-0.5
Vitrex	2.8	2.1	-17.1	-0.4
QinetiQ	3.1	2.3	-15.9	-0.4

Source: Schroders, FactSet, close 30 September 2022 to close 31 March 2023.
[1]Weights are averages.
[2]Performance of the stock in the index relative to the Benchmark return.
[3]Impact is the contribution to performance relative to the Benchmark return.

Stocks not held – largest contributions relative to the Benchmark

Not owning motor and home insurer **Direct Line** was a key contributor to performance. The business has suffered from claims inflation which resulted in a profit warning, ousting of the chief executive officer ("CEO") - is used later too and a scrapping of the dividend. The telecommunications business **Spirent Communications** saw weakening demand impact the order book in Q4 2022 and into 2023. **Dr Martens**, the British footwear and clothing brand known for its boots, suffered operational issues and weaker customer demand in the US. **LXi REIT's** property portfolio fell in value due to the increase in interest rates over the period.

Stocks not held – largest detractors relative to the Benchmark

On the negative side, not owning the mid cap airline stocks (**EasyJet and Wizz Air**) detracted as they rallied strongly in response to the falling oil price and favourable demand dynamics that have resulted in significant price increases. Our preferred travel and leisure exposure is via travel retailer **WH Smith**, which we purchased in the period under review. WH Smith's airport concessions are well placed to benefit from improving trends in this sub sector. The company has been successful in winning new locations in US airports and has a large backlog of stores won but not opened that will drive growth in the future.

After many years of disappointment, **Marks & Spencer** appears to be making a recovery. Consumer perceptions of the clothing business continue to improve, and a weakened competitor landscape has resulted in market share gains. As stated above, our UK retailer exposure has been of a more specialist nature, via Dunelm and Games Workshop for example.

Positive contributor	Portfolio weight[1] (%)	Weight relative to Benchmark (%)	Relative perfor-mance[2] (%)	Impact[3] (%)
Direct Line Insurance	–	-1.1	-40.8	0.5
Spirent Comms	–	-0.6	-47.4	0.4
Tui	–	-0.8	-15.6	0.4
Dr. Martens	–	-0.5	-50.6	0.3
LXi REIT	–	-0.8	-33.4	0.3

Negative contributor	Portfolio weight[1] (%)	Weight relative to Benchmark (%)	Relative perfor-mance[2] (%)	Impact[3] (%)
Easyjet	–	-1.1	59.9	-0.6
Marks & Spencer Gp	–	-1.1	54.3	-0.5
Wizz Air Hldgs Plc	–	-0.8	72.7	-0.5
Greggs	–	-1.0	47.1	-0.4
ITV	–	-1.2	33.3	-0.4

Source: Schroders, FactSet, close 30 September 2022 to close 31 March 2023.
[1]Weights are averages.
[2]Performance of the stock in the index relative to the Benchmark return.
[3]Impact is the contribution to performance relative to the Benchmark return.

Portfolio Manager's Review

Portfolio activity

New holdings	The opportunity
Babcock	Niche nuclear exposure; asset disposals strengthen the balance sheet
Elementis	Improving ESG profile & balance sheet
Essentra	Improving ESG profile & balance sheet
Harbour Energy	Strong improvement in balance sheet; cash returns
Senior	Balance sheet improvement, aerospace exposure
WH Smith	Recovery in UK & international travel spend

Complete sales	Rationale
Petrofac	Management turnover
PZ Cussons	Valuation
Ted Baker	Bid
Weir Group	FTSE100

We established a new holding in **Babcock International**, where we see growing demand for the company's defence and nuclear services combined with an improved balance sheet as a result of several disposals. We also added speciality chemicals company **Elementis** to the portfolio following the disposal of its chromium business, which should improve the company's balance sheet and sustainability profile. Following the disposals of its cigarette filters and packaging businesses, **Essentra** has emerged as a focused business concentrated on the attractive industrial components space. With a strengthened balance sheet, the business should be able to make smart acquisitions to consolidate a fragmented sector, while continuing to grow organically.

We purchased a stake in **Senior**, the British engineering company, which, we expect, will continue to benefit from the ongoing recovery in the commercial aerospace sector. This company's balance sheet has also improved significantly. The rationale for our **WH Smith** purchase is described above, and it is our main exposure to the Travel sector, where we expect to see a continuation of resilient consumer spend (as opposed to other types of consumer spend which may now be reaching exhaustion, post the re-opening bounce).

We disposed of oil services company **Petrofac** following news of the CEO's departure. We exited our residual position in **PZ Cussons** and reinvested the proceeds into drinks manufacturer and *Irn Bru* owner **AG Barr**, which made an interesting entry into the growing energy drinks market via its acquisition of energy, sports and protein drinks manufacturer *Boost Drinks*. This following the successful acquisition, several years ago, of 100% natural fruit cocktail mix manufacturer Funkin Brands. We sold engineer **Weir** following its promotion to the FTSE 100, in line with our stated policy.

We established a new position in oil and gas exploration business **Harbour Energy** which has a balance sheet about to swing to net cash and is delivering high levels of shareholder returns through buy-backs and dividends. In the short term, the shares have been weak, due to higher-than-expected levels of windfall tax on North Sea oil profits.

Outlook

Since the ill-fated mini budget in September 2022, we have experienced a period of relative calm, in addition to a welcome period of improved performance. However, there remains plenty to ponder, as ten-year UK interest rates have resumed their gentle curve upwards. We first wrote about "eye catching levels of inflation" in the 2021 Annual Report, and the fact is that although the UK economy has been more resilient than the vast majority of market commentators and forecasters expected, inflation remains stubbornly high. In the six-month period reviewed here, the 12-month rate of Consumer Price Inflation ("CPI") remained above 10%, a level unseen since the early 1980s.

Against this inflationary backdrop, a majority of the companies in the portfolio have fared remarkably well, demonstrating the pricing power we seek. Economic consensus suggests inflation will continue to fall as the year progresses, given lower energy and petrol prices, and it could even be that the suggestions in the media of price limits on certain commodity foods are enough to rein in this particularly sticky element of the inflation cocktail.

Our response, in this environment, is to stick to our strategy of choosing resilient businesses which can deliver high risk-adjusted returns with rising cash flows and earnings. We have maintained our focus on two categories of investment. First, those *unique* assets with scarcity value and franchise power that allow management teams to raise prices without noticeably impacting demand. The other category is more cyclical businesses or in industries that are undergoing some sort of change, or that might be at some form of a strategic crossroads. This could be industry consolidation, management change or supply retreating out of the market. As a result of this change, we believe these companies will deliver better returns on capital in the future, rewarding shareholders. Additionally, portfolio companies tend to be net cash, or to have low levels of debt. This is important as refinancing costs have increased sharply, hurting profitability, and increasing risks for equity holders.

Despite the consistently negative view presented in the media, there are a myriad reasons to be optimistic about UK mid caps. Consumer confidence is rebounding, with the highest reading for 15 months recorded in May 2023. In April 2023, 20 million adults saw a 10% increase in their incomes. This included over 12 million pensioners receiving the state pension, nearly 6 million receiving universal credit and over 2 million receiving housing benefit. The labour market is strong, and the housing market appears to have recovered from its near-death experience in September 2022.

Furthermore, the lowly valuation of the UK market continues to attract attention from Private Equity and trade buyers. Recent bids for UK mid caps Wood Group, Dechra Pharmaceuticals and Network International attest to this, and, if these valuation levels persist, the trend seems likely to accelerate.

We would also like to remind readers that we are fishing in an attractive pond. In terms of the long-term potential of UK equities, we suggest that investors willing to look beyond the ongoing negative headlines will find the UK punches above its weight. This can be seen in terms of multi-baggers relative to the US. (See "30-baggers": why the UK has more than its fair share), and this is why the Benchmark has beaten the S&P 500 return over the 25 years to 31 March 2023, when measured in local currency. In US dollar terms, it has very nearly matched the popular US index. This is despite the UK mid cap index suffering a substantial derating in the past 24 months. The Mid 250 is populated by multiple "unique" companies, with strong growth prospects, generating cash and delivering attractive returns on capital.

As stock pickers, we are confident that the collective strength of our holdings' balance sheets will continue to provide resilience in a challenging economic environment. We are sticking to our sell discipline, avoiding companies whose business models are in danger of being disrupted while seeking out companies which have the ability to reinvent themselves, or which might be the next mid cap disruptor.

Largest overweight positions

	Sector	Portfolio weight %	Benchmark weight %	Difference %
Dunelm	Consumer Discretionary	3.8	0.6	3.3
4imprint	Consumer Discretionary	3.8	0.6	3.2
Oxford Instruments	Industrials	3.5	0.6	2.9
Games Workshop	Consumer Discretionary	4.1	1.4	2.7
Spectris	Industrials	4.2	1.7	2.5
Inchcape	Industrials	3.7	1.3	2.4
Man Group	Financials	3.6	1.3	2.3
QinetiQ	Industrials	2.9	0.7	2.2
Cranswick	Consumer Staples	2.8	0.7	2.1
Computacenter	Technology	2.8	0.7	2.1

Source: Schroders, as at 31 March 2023, for Schroder UK Mid Cap Fund plc investment portfolio.

Schroder Investment Management Limited
27 June 2023

Investment Portfolio as at 31 March 2023

Stocks in bold are the 20 largest investments, which by value account for 61.5% (31 March 2022: 58.4% and 30 September 2022: 61.4%) of total investments. Investments are all equities.

	£'000	%
Industrials		
Spectris	**10,245**	**4.4**
Oxford	**8,500**	**3.6**
Diploma	**7,722**	**3.3**
QinetiQ	**7,146**	**3.0**
Grafton	**6,642**	**2.8**
Bodycote International	4,567	1.9
Redrow	4,476	1.9
Redde Northgate	3,968	1.7
Chemring	3,864	1.6
Clarkson	3,059	1.3
Keller	2,716	1.2
International Workplace	2,302	1.0
Paypoint	2,280	1.0
Tyman	2,160	0.9
Essentra	1,932	0.8
Babcock	1,838	0.8
Senior	1,005	0.4
XP Power	911	0.4
James Fisher	450	0.2
Total Industrials	**75,783**	**32.2**
Financials		
Man Group	**8,710**	**3.7**
Safestore	**6,836**	**2.9**
Investec	**5,395**	**2.3**
Paragon Banking	**5,200**	**2.2**
IG Group	**4,994**	**2.1**
Savills	4,388	1.9
OSB	4,190	1.8
Londonmetric Property	3,315	1.4
Just	2,490	1.1
Sirius	1,532	0.7
Bridgepoint	1,501	0.7
Total Financials	**48,551**	**20.8**

	£'000	%
Consumer Services		
Dunelm	**9,282**	**3.9**
4Imprint	**9,264**	**3.9**
Inchcape	**9,062**	**3.8**
Pets At Home	**5,447**	**2.3**
Future	3,474	1.5
WH smith	3,214	1.4
Watches of Switzerland	3,058	1.3
888 Holdings	774	0.3
Total Consumer Services	**43,575**	**18.4**
Consumer Goods		
Games Workshop	**9,929**	**4.2**
Cranswick	**6,909**	**2.9**
A.G. Barr	**5,015**	**2.1**
Vistry	3,515	1.5
Crest Nicholson	2,992	1.3
Total Consumer Goods	**28,360**	**12.0**
Technology		
Computacenter	**6,842**	**2.9**
IP Group	3,359	1.4
Ascential	1,686	0.7
NCC	1,428	0.6
Total Technology	**13,315**	**5.6**
Basic Materials		
Victrex	**6,209**	**2.6**
Elementis	1,632	0.7
Ecora Resources	1,182	0.5
Synthomer	1,166	0.5
Total Basic Materials	**10,189**	**4.3**
Healthcare		
Genus	4,598	2.0
Spire Healthcare	3,647	1.5
Total Healthcare	**8,245**	**3.5**
Telecommunications		
Telecom Plus	**6,010**	**2.6**
Total Telecommunications	**6,010**	**2.6**
Oil & Gas		
Harbour energy	1,345	0.6
Total Oil & Gas	**1,345**	**0.6**
Total investments	**235,373**	**100.0**

Half Year Report

Principal risks and uncertainties

The Directors consider that the principal risks and uncertainties faced by the Company for the remaining six months of the financial year, which could have a material impact on performance, remain consistent with those on pages 18 to 20 in the Annual Report and Accounts for the year ended 30 September 2022.

Going concern

Having assessed the Company's principal risks and uncertainties, the continuing impact of the war in Ukraine, climate change risk, inflation risk and increasing interest rates, its current financial position, its cash flows, its liquidity position and Financial Reporting Council guidance, the Directors consider it appropriate to adopt the going concern basis in preparing the accounts.

Related party transactions

There have been no transactions with related parties that have materially affected the financial position or the performance of the Company during the six months ended 31 March 2023.

Directors' responsibility statement

The Directors confirm that, to the best of their knowledge, this set of condensed financial statements has been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, in particular with Financial Reporting Standard 104 "Interim Financial Reporting" and with the Statement of Recommended Practice, "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued in July 2022 and that this Interim Management Report includes a fair review of the information required by 4.2.7R and 4.2.8R of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Income Statement

For the six months ended 31 March 2023 (unaudited)

	(Unaudited) For the six months ended 31 March 2023			(Unaudited) For the six months ended 31 March 2022			(Audited) For the year ended 30 September 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	**–**	**32,305**	**32,305**	–	(33,736)	(33,736)	–	(88,419)	(88,419)
Income from investments	**3,553**	**298**	**3,851**	3,733	88	3,821	8,958	88	9,046
Other interest receivable and similar income	**–**	**–**	**–**	–	–	–	10	–	10
Gross return/(loss)	**3,553**	**32,603**	**36,156**	3,733	(33,648)	(29,915)	8,968	(88,331)	(79,363)
Investment management fee	**(230)**	**(536)**	**(766)**	(271)	(633)	(904)	(487)	(1,136)	(1,623)
Administrative expenses	**(310)**	**–**	**(310)**	(255)	–	(255)	(542)	–	(542)
Net return/(loss) before finance costs and taxation	**3,013**	**32,067**	**35,080**	3,207	(34,281)	(31,074)	7,939	(89,467)	(81,528)
Finance costs	**(81)**	**(190)**	**(271)**	(58)	(135)	(193)	(116)	(271)	(387)
Net return/(loss) before taxation	**2,932**	**31,877**	**34,809**	3,149	(34,416)	(31,267)	7,823	(89,738)	(81,915)
Taxation (note 3)	**–**	**–**	**–**	–	–	–	–	–	–
Net return/(loss) after taxation	**2,932**	**31,877**	**34,809**	3,149	(34,416)	(31,267)	7,823	(89,738)	(81,915)
Return/(loss) per share (note 4)	**8.48p**	**92.18p**	**100.66p**	8.98p	(98.15)p	(89.17)p	22.43p	(257.32)p	(234.89)p

The "Total" column of this statement is the profit and loss account of the Company. The "Revenue" and "Capital" columns represent supplementary information prepared under guidance issued by The Association of Investment Companies. The Company has no other items of other comprehensive income, and therefore the net return/(loss) after taxation is also the total comprehensive income/(loss) for the period.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

Statement of Changes in Equity

For the six months ended 31 March 2023 (unaudited)

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Merger reserve £'000	Share purchase reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 30 September 2022	**9,036**	**13,971**	**220**	**2,184**	**7,233**	**145,629**	**9,120**	**187,393**
Net return after taxation	**–**	**–**	**–**	**–**	**–**	**31,877**	**2,932**	**34,809**
Dividend paid in the period (note 5)	**–**	**–**	**–**	**–**	**–**	**–**	**(4,841)**	**(4,841)**
At 31 March 2023	**9,036**	**13,971**	**220**	**2,184**	**7,233**	**177,506**	**7,211**	**217,361**

For the six months ended 31 March 2022 (unaudited)

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Merger reserve £'000	Share purchase reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 30 September 2021	9,036	13,971	220	2,184	9,908	235,367	6,883	277,569
Net (loss)/return after taxation	–	–	–	–	–	(34,416)	3,149	(31,267)
Dividend paid in the period (note 5)	–	–	–	–	–	–	(3,857)	(3,857)
At 31 March 2022	9,036	13,971	220	2,184	9,908	200,951	6,175	242,445

For the year ended 30 September 2022 (audited)

	Called-up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Merger reserve £'000	Share purchase reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 30 September 2021	9,036	13,971	220	2,184	9,908	235,367	6,883	277,569
Repurchase of the Company's own shares into treasury	–	–	–	–	(2,675)	–	–	(2,675)
Net (loss)/return after taxation	–	–	–	–	–	(89,738)	7,823	(81,915)
Dividends paid in the year (note 5)	–	–	–	–	–	–	(5,586)	(5,586)
At 30 September 2022	9,036	13,971	220	2,184	7,233	145,629	9,120	187,393

Statement of Financial Position at 31 March 2023

	(Unaudited) 31 March 2023 £'000	(Unaudited) 31 March 2022 £'000	(Audited) 30 September 2022 £'000
Fixed assets			
Investments held at fair value through profit or loss	**235,373**	261,960	207,289
Current assets			
Debtors	**1,666**	2,434	853
Cash at bank and in hand	**5,854**	3,603	4,786
	7,520	6,037	5,639
Current liabilities			
Creditors: amounts falling due within one year (note 6)	**(25,532)**	(25,552)	(25,535)
Net current liabilities	**(18,012)**	(19,515)	(19,896)
Total assets less current liabilities	**217,361**	242,445	187,393
Net assets	**217,361**	242,445	187,393
Capital and reserves			
Called-up share capital (note 7)	**9,036**	9,036	9,036
Share premium	**13,971**	13,971	13,971
Capital redemption reserve	**220**	220	220
Merger reserve	**2,184**	2,184	2,184
Share purchase reserve	**7,233**	9,908	7,233
Capital reserves	**177,506**	200,951	145,629
Revenue reserve	**7,211**	6,175	9,120
Total equity shareholders' funds	**217,361**	242,445	187,393
Net asset value per share (note 8)	**628.55p**	691.39p	541.89p

Registered in Scotland as a public company limited by shares

Company registration number: SC082551

Notes to the Accounts

1. Financial Statements

The information contained within the accounts in this half year report has not been audited or reviewed by the Company's independent auditor.

The figures and financial information for the year ended 30 September 2022 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for that year. Those accounts have been delivered to the Registrar of Companies and included the report of the auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

2. Accounting policies

Basis of accounting

The accounts have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, in particular with Financial Reporting Standard 104 "Interim Financial Reporting" and with the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by the Association of Investment Companies in July 2022.

All of the Company's operations are of a continuing nature.

The accounting policies applied to these accounts are consistent with those applied in the accounts for the year ended 30 September 2022.

3. Taxation

The Company's effective corporation tax rate is nil, as deductible expenses exceed taxable income.

4. Return/(loss) per share

	(Unaudited) For the six months ended 31 March 2023 £'000	**(Unaudited) For the six months ended 31 March 2022 £'000**	**(Audited) For the year ended 30 September 2022 £'000**
Revenue return	**2,932**	3,149	7,823
Capital return/(loss)	**31,877**	(34,416)	(89,738)
Total return/(loss)	**34,809**	(31,267)	(81,915)
Weighted average number of shares in issue during the period	**34,581,190**	35,066,190	34,874,738
Revenue return per share	**8.48p**	8.98p	22.43p
Capital return/(loss) per share	**92.18p**	(98.15)p	(257.32)p
Total return/(loss) per share	**100.66p**	(89.17)p	(234.89)p

Notes to the Accounts

5. Dividends

	(Unaudited) For the six months ended 31 March 2023 £'000	(Unaudited) For the six months ended 31 March 2022 £'000	(Audited) For the year ended 30 September 2022 £'000
2022 final dividend paid of 14.0p (2021: 11.0p)	**4,841**	3,857	3,857
Interim dividend of 5.0p	**–**	–	1,729
	4,841	3,857	5,586

An interim dividend of 5.5p (2022: 5.0p) per share, amounting to £1,902,000 (2022: £1,729,000), has been declared payable in respect of the six months ended 31 March 2023.

6. Creditors: amounts falling due within one year

	(Unaudited) 31 March 2023 £'000	(Unaudited) 31 March 2022 £'000	(Audited) 30 September 2022 £'000
Bank loan	**25,000**	25,000	25,000
Other creditors and accruals	**532**	552	535
	25,532	25,552	25,535

The bank loan is one-year term loan from Scotiabank Europe plc, expiring in February 2024 and carrying an interest rate based on the Sterling Overnight Interest Average plus a margin. This loan replaced the three-year term loan from Scotiabank Europe plc, which expired in February 2023.

7. Called-up share capital

	(Unaudited) Six months ended 31 March 2023 £'000	(Unaudited) Six months ended 31 March 2022 £'000	(Audited) Year ended 30 September 2022 £'000
Changes in called-up share capital during the period were as follows:			
Opening balance of ordinary shares of 25p each, excluding shares held in treasury	**8,645**	8,766	8,766
Repurchase of shares into treasury	**–**	–	(121)
Subtotal of ordinary shares of 25p each, excluding shares held in treasury	**8,645**	8,766	8,645
Shares held in treasury	**391**	270	391
Closing balance of ordinary shares of 25p each, including shares held in treasury	**9,036**	9,036	9,036

Notes to the Accounts

	(Unaudited) Six months ended 31 March 2023	(Unaudited) Six months ended 31 March 2022	(Audited) Year ended 30 September 2022
Changes in the number of shares in issue during the period were as follows:			
Ordinary shares of 25p each, allotted, called-up and fully paid			
Opening balance of shares in issue, excluding shares held in treasury	**34,581,190**	35,066,190	35,066,190
Repurchase of shares into treasury	**–**	–	(485,000)
Closing balance of shares in issue, excluding shares held in treasury	**34,581,190**	35,066,190	34,581,190
Closing balance of shares held in treasury	**1,562,500**	1,077,500	1,562,500
Closing balance of shares in issue, including shares held in treasury	**36,143,690**	36,143,690	36,143,690

8. Net asset value per share

Net asset value per share is calculated by dividing shareholders' funds by the 34,581,190 (31 March 2022: 35,066,190 and 30 September 2022: 34,581,190) shares in issue, excluding shares held in treasury.

9. Financial instruments measured at fair value

The Company's financial instruments that are held at fair value comprise its investment portfolio. At 31 March 2023, all investments in the Company's portfolio were categorised as Level 1 in accordance with the criteria set out in paragraph 34.22 (amended) of FRS 102. That is, they are all valued using unadjusted quoted prices in active markets for identical assets (31 March 2022 and 30 September 2022: same).

10. Events after the interim period that have not been reflected in the financial statements for the interim period

The Directors have evaluated the period since the interim date and have not noted any events which have not been reflected in the financial statements.

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Directors

Robert Talbut (Chairman)
Wendy Colquhoun
Andrew Page
Helen Galbraith

Advisers

Alternative Investment Fund Manager ("Manager")

Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Portfolio manager and company secretary

Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Telephone: 020 7658 6596

Registered office

1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL

Depositary and custodian

HSBC Bank plc
8 Canada Square
London E14 5HQ

Lending bank

Scotiabank Europe PLC
201 Bishopsgate
London EC2M 3NS

Corporate broker

Panmure Gordon (UK) Limited
One New Change
London EC4M 9AF

Legal advisers

Shepherd and Wedderburn LLP
1 Exchange Crescent
Conference Square
Edinburgh EH3 8UL

Registrar

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex
BN99 6DA
Shareholder Helpline: +44 (0) 371 384 0641*
Website: www.shareview.co.uk

*Calls to this number are free of charge from UK landlines.

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

Independent auditor

KPMG LLP
319 St Vincent Street
Glasgow G2 5AS

AIFM Directive disclosures

Certain pre-sale, regular and periodic disclosures required by the Alternative Investment Fund Managers ("AIFM") Directive may be found on its webpages.

The Company's leverage policy and details of limits on leverage required under the AIFM Directive are published on its webpages.

Dealing codes

ISIN: GB0006108418
SEDOL 0610841
Ticker: SCP

Global Intermediary Identification Number (GIIN)

9GN3DU.99999.SL.826

Legal Entity Identifier (LEI)

549300SOEWCYZTK2SP87

The Company's privacy notice is available on its webpage.

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