

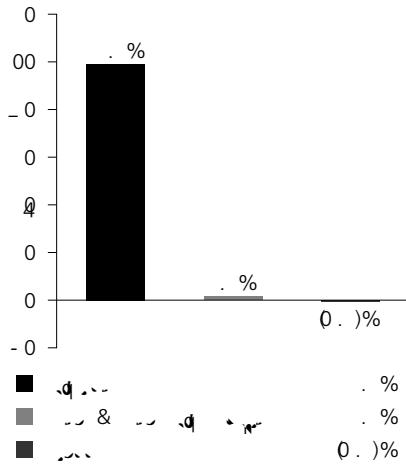
# MFS<sup>®</sup> Utilities Series





# PORTFOLIO COMPOSITION

## Portfolio structure



## Top five industries

Utilities-Electric Power	81.5%
Telecommunications - Wireless	7.4%
Energy - Renewables	5.3%
Natural Gas - Distribution	2.7%
Utilities - Water	1.7%

## Issuer country weightings (x)

United States	73.1%
Germany	5.4%
Portugal	5.2%
United Kingdom	4.6%
Spain	3.9%
Italy	2.4%
France	1.3%
Canada	1.2%
Denmark	0.7%
Other Countries	2.2%

## Top ten holdings

NextEra Energy, Inc.	10.8%
PG&E Corp.	6.6%
Dominion Energy, Inc.	5.6%
DTE Energy Co.	4.6%
Southern Co.	4.6%
Sempra Energy	4.1%
RWE AG	4.0%
Edison International	3.9%
EDP Renovaveis S.A.	3.7%
PPL Corp.	3.5%

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# MANAGEMENT REVIEW

## Summary of Results

The company has achieved significant growth in revenue and profit over the past year, driven by strong performance in our core markets and successful execution of our strategic initiatives. Key highlights include a 15% increase in sales volume, a 10% improvement in operating margins, and the successful launch of our new product line. These results reflect the dedication and hard work of our employees and the support of our customers and partners.

## Market Environment

The market environment remains highly competitive, with several key players vying for market share. Our primary competitors have shown strong growth, particularly in the technology and services sectors. However, our focus on customer service and product innovation has allowed us to maintain a strong position in our core markets. The overall economic outlook is positive, with steady growth in demand for our products and services. We continue to invest in research and development to stay ahead of the curve and meet the evolving needs of our customers. Our strategic focus on operational efficiency and cost management has helped us maintain healthy margins despite the competitive landscape. We are confident in our ability to continue to grow and succeed in the long term.

## Detractors from Performance

While we have achieved strong overall performance, there are several areas where we have experienced challenges. One major detractor is the increase in input costs, particularly in the raw materials and labor sectors, which has put pressure on our margins. Additionally, the rapid pace of technological change in our industry has required us to invest heavily in R&D, which has increased our capital expenditures. Another challenge is the intense competition from new entrants in the market, who are leveraging disruptive business models to gain market share. Finally, the global economic uncertainty has led to some volatility in our demand, particularly in certain international markets. Despite these challenges, we remain committed to addressing these issues through strategic initiatives and operational improvements to ensure our long-term success.



## PERFORMANCE SUMMARY THROUGH 12/31/23

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value fluctuate so your shares, when sold, may be worth more or less than the original cost; current

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# EXPENSE TABLE

Fund expenses borne by the shareholders during the period,  
July 1, 2023 through December 31, 2023

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Issuer	Shares/Par	Value (\$)
United Utilities Group PLC	320,225	\$ 4,324,612
Veolia Environnement S.A.	469,262	14,795,276
		\$ 19,119,888
<b>Total Common Stocks (Identified Cost, \$872,290,192)</b>		<b>\$1,093,290,299</b>
MFS Institutional Money Market Portfolio, 5.42% (v) (Identified Cost, \$14,002,159)	14,001,567	\$ 14,004,367
Other Assets, Less Liabilities – (0.4)%		(4,114,962)
<b>Net Assets – 100.0%</b>		<b>\$1,103,179,704</b>

### Derivative Contracts at 12/31/23

#### Forward Foreign Currency Exchange Contracts

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
<b>Asset Derivatives</b>				
CAD 2,520	USD 1,883	UBS AG	1/19/2024	\$ 19
EUR 1,629,518	USD 1,770,683	Morgan Stanley Capital Services, Inc.	1/19/2024	29,344
EUR 784	USD 858	NatWest Markets PLC	1/19/2024	8
EUR 1,834,466	USD 2,004,543	State Street Bank Corp.	1/19/2024	21,878
GBP 5,936	USD 7,548	Brown Brothers Harriman	1/19/2024	19
GBP 1,656,508	USD 2,024,973	Morgan Stanley Capital Services, Inc.	1/19/2024	86,680
				<u>\$ 137,948</u>
<b>Liability Derivatives</b>				
USD 792,888	CAD 1,087,560	Morgan Stanley Capital Services, Inc.	1/19/2024	\$ (28,084)
USD 7,658,960	CAD 10,434,709	State Street Bank Corp.	1/19/2024	(217,952)
USD 1,312,757	EUR 1,233,705	HSBC Bank	1/19/2024	(50,040)
USD 11,034,184	EUR 10,244,549	Morgan Stanley Capital Services, Inc.	1/19/2024	(282,335)
USD 119,286,780	EUR 112,068,036	State Street Bank Corp.	1/19/2024	(4,507,837)
USD 2,649,697	GBP 2,110,147	Brown Brothers Harriman	1/19/2024	(40,237)
USD 2,607,726	GBP 2,107,218	HSBC Bank	1/19/2024	(78,473)
USD 29,096,848	GBP 23,862,877	State Street Bank Corp.	1/19/2024	(1,322,619)
				<u>\$(6,527,577)</u>

See Notes to Financial Statements

# FINANCIAL STATEMENTS | STATEMENT OF ASSETS AND LIABILITIES

At 12/31/23

<b>Assets</b>	
Investments in unaffiliated issuers, at value (identified cost, \$872,290,192)	\$1,093,290,299
Investments in affiliated issuers, at value (identified cost, \$14,002,159)	14,004,367
Receivables for	
Forward foreign currency exchange contracts	137,948
Fund shares sold	322,801
Interest and dividends	3,815,861
Other assets	4,013
<b>Total assets</b>	<b>\$1,111,575,289</b>

<b>Liabilities</b>	
Payables for	
Forward foreign currency exchange contracts	\$6,527,577
Fund shares reacquired	1,561,394
Payable to affiliates	
Investment adviser	88,636
Administrative services fee	1,584
Shareholder servicing costs	458
Distribution and/or service fees	16,439
Payable for independent Trustees' compensation	11
Accrued expenses and other liabilities	199,486
<b>Total liabilities</b>	<b>\$8,395,585</b>
<b>Net assets</b>	<b>\$1,103,179,704</b>

<b>Net assets consist of</b>	
Paid-in capital	\$833,296,698
Total distributable earnings (loss)	269,883,006
<b>Net assets</b>	<b>\$1,103,179,704</b>
Shares of beneficial interest outstanding	34,627,781

	<b>Net assets</b>	<b>Shares outstanding</b>	<b>Net asset value per share</b>
Initial Class	\$503,825,977	15,622,184	\$32.25
Service Class	599,353,727	19,005,597	31.54

See Notes to Financial Statements

# FINANCIAL STATEMENTS | STATEMENT OF OPERATIONS

Year ended 12/31/23

## Net investment income (loss)

Income	
Dividends	\$37,545,537
Dividends from affiliated issuers	479,977
Interest	306,119
Other	75,631
Income on securities loaned	3,995
Foreign taxes withheld	(356,955)
<b>Total investment income</b>	<b>\$38,054,304</b>
Expenses	
Management fee	\$8,533,210
Distribution and/or service fees	1,583,003
Shareholder servicing costs	12,074
Administrative services fee	175,923
Independent Trustees' compensation	20,930
Custodian fee	117,774
Shareholder communications	17,532
Audit and tax fees	70,899
Legal fees	6,361
Miscellaneous	229,690
<b>Total expenses</b>	<b>\$10,767,396</b>
Reduction of expenses by investment adviser	(146,772)
<b>Net expenses</b>	<b>\$10,620,624</b>
<b>Net investment income (loss)</b>	<b>\$27,433,680</b>
<b>Realized and unrealized gain (loss)</b>	
Realized gain (loss) (identified cost basis)	
Unaffiliated issuers	\$29,977,682
Affiliated issuers	1,880
Forward foreign currency exchange contracts	(9,800,468)
Foreign currency	(1,220,931)
<b>Net realized gain (loss)</b>	<b>\$18,958,163</b>
Change in unrealized appreciation or depreciation	
Unaffiliated issuers	\$(83,754,776)
Affiliated issuers	(604)
Forward foreign currency exchange contracts	7,673,749
Translation of assets and liabilities in foreign currencies	49,490
<b>Net unrealized gain (loss)</b>	<b>\$(76,032,141)</b>
<b>Net realized and unrealized gain (loss)</b>	<b>\$(57,073,978)</b>
<b>Change in net assets from operations</b>	<b>\$(29,640,298)</b>

See Notes to Financial Statements

# FINANCIAL STATEMENTS | STATEMENTS OF CHANGES IN NET ASSETS

	Year ended	
	12/31/23	12/31/22
<b>Change in net assets</b>		
<b>From operations</b>		
Net investment income (loss)	\$27,433,680	\$22,268,570
Net realized gain (loss)	18,958,163	96,439,674
Net unrealized gain (loss)	(76,032,141)	(114,645,691)
Change in net assets from operations	\$(29,640,298)	\$4,062,553
Total distributions to shareholders	\$(101,554,945)	\$(77,825,621)
Change in net assets from fund share transactions	\$(16,299,587)	\$28,354,613
Total change in net assets	\$(147,494,830)	\$(45,408,455)
<b>Net assets</b>		
At beginning of period	1,250,674,534	1,296,082,989
At end of period	\$1,103,179,704	\$1,250,674,534

**See Notes to Financial Statements**

# FINANCIAL STATEMENTS | FINANCIAL HIGHLIGHTS

Initial Class	Year ended				
	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19
Net asset value, beginning of period	\$36.32	\$38.31	\$35.33	\$35.18	\$29.38
<b>Income (loss) from investment operations</b>					
Net investment income (loss) (d)	\$0.86	\$0.71	\$0.78	\$0.87	\$0.90
Net realized and unrealized gain (loss)	(1.75)	(0.32)	4.11	0.99	6.37
Total from investment operations	\$(0.89)	\$0.39	\$4.89	\$1.86	\$7.27
<b>Less distributions declared to shareholders</b>					
From net investment income	\$(1.25)	\$(0.92)	\$(0.65)	\$(0.84)	\$(1.37)
From net realized gain	(1.93)	(1.46)	(1.26)	(0.87)	(0.10)
Total distributions declared to shareholders	\$(3.18)	\$(2.38)	\$(1.91)	\$(1.71)	\$(1.47)
Net asset value, end of period (x)	\$32.25	\$36.32	\$38.31	\$35.33	\$35.18
Total return (%) (k)(r)(s)(x)	(2.11)	0.76	14.09	5.90	25.07
<b>Ratios (%) (to average net assets) and Supplemental data:</b>					
Expenses before expense reductions	0.80	0.78	0.79	0.80	0.79
Expenses after expense reductions	0.79	0.77	0.77	0.79	0.78
Net investment income (loss)	2.53	1.92	2.16	2.63	2.69
Portfolio turnover	15	29	16	32	28
Net assets at end of period (000 omitted)	\$503,826	\$549,238	\$584,216	\$537,240	\$556,301
<b>Service Class</b>					
	Year ended				
	12/31/23	12/31/22	12/31/21	12/31/20	12/31/19
Net asset value, beginning of period	\$35.57	\$37.58	\$34.69	\$34.56	\$28.86
<b>Income (loss) from investment operations</b>					
Net investment income (loss) (d)	\$0.76	\$0.60	\$0.68	\$0.77	\$0.80
Net realized and unrealized gain (loss)	(1.71)	(0.32)	4.03	0.97	6.27
Total from investment operations	\$(0.95)	\$0.28	\$4.71	\$1.74	\$7.07
<b>Less distributions declared to shareholders</b>					
From net investment income	\$(1.15)	\$(0.83)	\$(0.56)	\$(0.74)	\$(1.27)
From net realized gain	(1.93)	(1.46)	(1.26)	(0.87)	(0.10)
Total distributions declared to shareholders	\$(3.08)	\$(2.29)	\$(1.82)	\$(1.61)	\$(1.37)
Net asset value, end of period (x)	\$31.54	\$35.57	\$37.58	\$34.69	\$34.56
Total return (%) (k)(r)(s)(x)	(2.33)	0.48	13.82	5.62	24.80
<b>Ratios (%) (to average net assets) and Supplemental data:</b>					
Expenses before expense reductions	1.05	1.03	1.04	1.05	1.04
Expenses after expense reductions	1.04	1.02	1.02	1.04	1.03
Net investment income (loss)	2.28	1.66	1.91	2.38	2.44
Portfolio turnover	15	29	16	32	28
Net assets at end of period (000 omitted)	\$599,354	\$701,436	\$711,867	\$679,629	\$733,992

See Notes to Financial Statements

Financial Statements

Financial statements for the year ended 31st March 2020. The statements show a significant decrease in revenue and profit due to the impact of the COVID-19 pandemic. The company has implemented various cost-cutting measures to maintain its operations during this challenging period.

See Notes to Financial Statements

# NOTES TO FINANCIAL STATEMENTS

(1) Business and Organization





Risk	Derivative Contracts	Fair Value	
		Asset Derivatives	Liability Derivatives
Foreign Exchange	Forward Foreign Currency Exchange Contracts	\$137,948	\$(6,527,577)



	<b>Year ended 12/31/23</b>	<b>Year ended 12/31/22</b>
Ordinary income (including any short-term capital gains)	\$38,810,049	\$42,430,357
Long-term capital gains	62,744,896	35,395,264
<b>Total distributions</b>	<b>\$101,554,945</b>	<b>\$77,825,621</b>

**As of 12/31/23**

Cost of investments	\$886,903,652
Gross appreciation	269,798,845
Gross depreciation	(55,797,460)
<b>Net unrealized appreciation (depreciation)</b>	<b>\$214,001,385</b>

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Total distributable ea(nings)-275.7(lrosn))-8,6512(\$2698834,063)TI/761Tf9.4791009.479126.9405449.71654Tm.00002TcMultiple)-277.8Classcesfesftw



Year ended 12/31/23		Year ended 12/31/22	
Shares	Amount	Shares	Amount

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# REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our audit was conducted in accordance with the standards of the PCAOB.

## Opinion on the Financial Statements and Financial Highlights

In our opinion, the financial statements and financial highlights present fairly, in all material aspects, the financial position, results of operations, and cash flows of the registrant for the periods presented in accordance with the accounting principles generally accepted in the United States of America.

## Basis for Opinion

We conducted our audit in accordance with the standards of the PCAOB, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free from material misstatement, whether caused by error or fraud.

Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and financial highlights. Our audit also included evaluating the accounting principles used and the estimates made by management, as well as assessing the overall presentation of the financial statements and financial highlights.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements and financial highlights. The audit was conducted in accordance with the standards of the PCAOB, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free from material misstatement, whether caused by error or fraud.

We have no opinion on the effectiveness of the registrant's internal control over financial reporting. Our audit was not designed to provide assurance on the effectiveness of the registrant's internal control over financial reporting.

Our audit was conducted in accordance with the standards of the PCAOB, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free from material misstatement, whether caused by error or fraud.





<b>Name, Age</b>	<b>Position(s) Held with Fund</b>	<b>Trustee/Officer Since<sup>(h)</sup></b>	<b>Number of MFS Funds for which the Person is an Officer</b>	<b>Principal Occupations During the Past Five Years</b>
John W. Clark, Jr. <sup>(k)</sup> (age 56)	Assistant Treasurer	April 2017	136	Massachusetts Financial Services Company, Vice President
David L. DiLorenzo <sup>(k)</sup> (age 55)	President	July 2005	136	Massachusetts Financial Services Company, Senior Vice President
Heidi W. Hardin <sup>(k)</sup> (age 56)	Secretary and Clerk	April 2017	136	Massachusetts Financial Services Company, Executive Vice President and General Counsel
Brian E. Langenfeld <sup>(k)</sup> (age 50)	Assistant Secretary and Assistant Clerk	June 2006	136	Massachusetts Financial Services Company, Vice President and Managing Counsel
Rosa E. Licea-Mailloux <sup>(k)</sup> (age 47)	Chief Compliance Officer	March 2022	136	Massachusetts Financial Services Company, Vice President (since 2018); Director of Corporate Compliance (2018-2021), Senior Director Compliance (2021-2022), Senior Managing Director of North American Compliance & Chief Compliance Officer (since March 2022)
Amanda S. Mooradian <sup>(k)</sup> (age 44)	Assistant Secretary and Assistant Clerk	September 2018	136	Massachusetts Financial Services Company, Assistant Vice President and Senior Counsel
Susan A. Pereira <sup>(k)</sup> (age 53)	Assistant Secretary and Assistant Clerk	July 2005	136	Massachusetts Financial Services Company, Vice President and Managing Counsel
Kasey L. Phillips <sup>(k)</sup> (age 53)	Assistant Treasurer	September 2012	136	Massachusetts Financial Services Company, Vice President
Matthew A. Stowe <sup>(k)</sup> (age 49)	Assistant Secretary and Assistant Clerk	October 2014	136	Massachusetts Financial Services Company, Vice President and Senior Managing Counsel
William B. Wilson <sup>(k)</sup> (age 41)	Assistant Secretary and Assistant Clerk	October 2022	136	Massachusetts Financial Services Company, Assistant Vice President and Senior Counsel
James O. Yost <sup>(k)</sup> (age 63)	Treasurer	September 1990	136	Massachusetts Financial Services Company, Senior Vice President

Investment Adviser  
Trustee  
Custodian  
Independent Registered Public Accounting Firm  
Distributor  
Portfolio Manager(s)

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**Investment Adviser**

Investment Adviser  
Trustee  
Custodian  
Independent Registered Public Accounting Firm  
Distributor  
Portfolio Manager(s)

**Custodian**

Custodian  
Investment Adviser  
Trustee  
Independent Registered Public Accounting Firm  
Distributor  
Portfolio Manager(s)

**Distributor**

Distributor  
Investment Adviser  
Trustee  
Custodian  
Independent Registered Public Accounting Firm  
Portfolio Manager(s)

**Independent Registered Public Accounting Firm**

Independent Registered Public Accounting Firm  
Investment Adviser  
Trustee  
Custodian  
Distributor  
Portfolio Manager(s)

**Portfolio Manager(s)**

Portfolio Manager(s)  
Investment Adviser  
Trustee  
Custodian  
Independent Registered Public Accounting Firm  
Distributor





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# FACTS





