AIM Inheritance Tax Portfolio Service

Investor Factsheet Q3 2025

THORNTONS INVESTMENTS

Portfolio Objectives

This Service is for investors who wish to pass on more of their wealth to their beneficiaries by reducing a potential liability to Inheritance Tax.

The primary aim is to provide a diversified portfolio of AIM-listed stocks that are expected to qualify for Business Relief (BR) if owned for two years and at death.

Investors will be invested in a portfolio of smaller companies, carefully selected for the strength of their business.

The portfolio is constructed to try and minimise the volatility often associated with smaller companies. The portfolio aims to generate long term growth and dividend income sufficient to cover investor costs.

Portfolio information

Service Inception 2006

Platform Launch 31st March 2017

Advised service only

Minimum subscription £20,000

Historic Portfolio Dividend Yield 2.0%

Charges

Investment Management Fee: 1.0% (VAT Exempt)

Platform Charges apply

Platform dealing charges where applicable

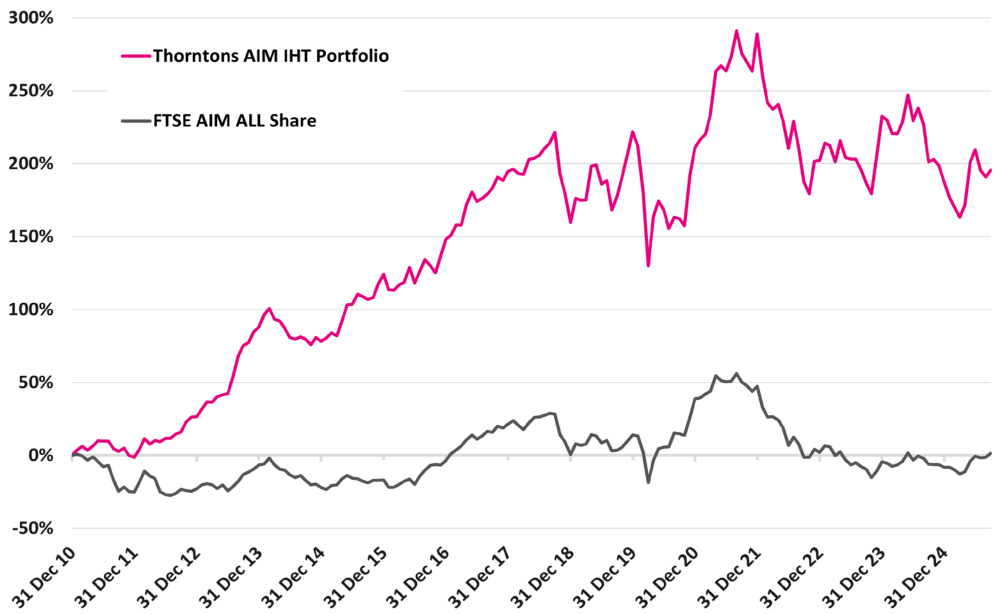
Performance

Cumulative Performance to 30th September 2025	3m	6m	1yr	3yr	5yr	10yr	2010
Thorntons AIM IHT	-4.5%	12.3%	-1.8%	2.9%	12.8%	42.5%	194.4%
FTSE AIM All-Share	2.0%	16.1%	7.9%	2.8%	-11.7%	24.9%	1.4%

Discrete Calendar Year Performance	YTD	2024	2023	2022	2021	2020	CAGR[1]
Thorntons AIM IHT	2.8%	-13.5%	10.0%	-22.3%	25.2%	-3.5%	7.6%
FTSE AIM All-Share	10.4%	-4.0%	-6.4%	-30.7%	6.1%	21.8%	0.1%

[1]CAGR: Compound Annual Growth Rate from 31 December 2010

Performance Since 31 December 2010



Data from FE fundinfo

The performance shown is monthly total return, net of our management fee, but before dealing or platform fees. The Thorntons Investments AIM IHT portfolio reflects the performance of the model available via platform since 31.03.17. Prior to this the performance reflects a portfolio of all the AIM stocks invested in for discretionary clients for the purposes of qualifying for BR. Performance is shown against the FTSE AIM All-Share for comparison. Please note there is no benchmark for the Thorntons Investments AIM IHT model due to the restrictions on stock selection in order to achieve eligibility for BR.

Source: FE Analytics and Thorntons Investments as at 30.09.25.

defaqto AIM BR Service 2025 EXPERT RATED

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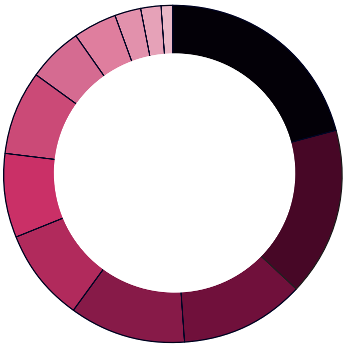
GROWTH INVESTOR 2024 AWARDS | WINNER BEST AIM PORTFOLIO SERVICE

MICAP ALTERNATIVE INVESTMENT RESEARCH

Industry Allocation



Sector %

21.0%	- Industrial
16.0%	- Software & Services
12.0%	- Support Services
11.0%	- Speciality Finance
9.0%	- Travel & Leisure
8.0%	- Building & Materials
8.0%	- Health
5.5%	- Retail
4.0%	- Media
2.5%	- Electronics
2.0%	- Food & Beverages
1.0%	- Cash

Portfolio Top 10 Holdings

Jet2 plc	6.0%
SigmaRoc	6.0%
Idox	4.5%
Renew	4.5%
AB Dynamics	4.0%
Craneware	4.0%
CVS Group	4.0%
Vertu Motors	4.0%
Volex	4.0%
Begbies Traynor	4.0%
	45.0%

Total number of stocks held 33

Stock weightings 1% to 6%

Weighted average market cap £569m

Service Features

Our AIM IHT service is a platform service only and a client can only invest through their financial adviser.

Our service helps investors to leave a long-lasting legacy through passing on more of their wealth to their loved ones, and provides foundation capital for small UK growth companies.

Flexible IHT Planning

- 100% relief from IHT after 2 years[+]
- Access to capital if required
- ISA friendly
- Effective for a variety of scenarios
- No medical evidence required

Cost effective

- 1% AMC (VAT Exempt)
- No initial or exit charges
- No withdrawal charges
- Low (or no) dealing charges*
- Platform charges apply

Platform benefits

- Transparent
- No investment delay
- Simple investment process
- Consolidation with other assets
- Full platform functionality

Strong and consistent performance

- Experienced investment team
- Long-established AIM IHT service
- Positive long-term returns
- Healthy dividend yield
- No failed claims for Business Relief

Platform Availability

aberdeen

Fidelity INTERNATIONAL

Fundment

M&G wealth

MORNINGSTAR Wealth Platform

nucleus

SCOTTISH WIDOWS

7IM

transact take control

*Some platforms have no dealing charges. Those that do make a small monetary charge per trade which in all but the smallest of trade sizes is more cost effective compared to a percentage based dealing charge.

[+]The rate of BR is expected to halve to 50% from April 2026 under proposals announced in the 2024 Budget.

Q3 Portfolio Commentary

The AIM market delivered a small positive return in the third quarter with the FTSE AIM All-Shares increasing by 2.0%, helped by some very strong performances from junior mining companies, not eligible for business relief. The Thorntons AIM IHT portfolio decreased by 4.5% over the period, following a strong performance in the previous quarter.

Performance over the period was held back by a couple of disappointing updates, while continued uncertainty ahead of the Budget weighed on sentiment. Jet2, -23%, issued an AGM statement confirming that the trend of late customer bookings had continued since its last update. Jet2 decided to exercise caution in this more uncertain consumer environment by restricting on sale seat capacity growth for this Winter to 9%. Given limited booking visibility, it now expects full year profitability to be towards the lower end of analyst consensus. As the UK market leader in package holidays, with a strong balance sheet, we still have a great deal of confidence in Jet2's prospects, particularly with its low valuation. Ashtead Technology, -21%, is a provider of equipment to the offshore energy industry. In its half year trading update, the company stated that it expected underlying revenues to decline due to project delays on the back of geopolitical uncertainty and a weaker dollar. The shares were probably also impacted by their decision to move to the Main Market. YouGov, -20%, is a data analytics and market research company. Although best known for its political polling in the UK, this accounts for a small proportion of group revenue. The shares declined over the quarter even after YouGov issued an encouraging trading update in August. The industry has been facing demand uncertainty and management are currently undertaking a cost saving programme, which is progressing to plan.

Elsewhere, there were a number of positive company updates. Next 15 (marketing & PR), +36%, issued half year results confirming that despite a challenging backdrop, it was making good progress with its simplification strategy. This involves disposing of non-core entities and integrating group agencies, which should reduce overall costs and yield cash proceeds from disposals. Management confirmed that the group is trading in line with expectations. Watkin Jones, +21%, is a property developer specialising in the student accommodation and Build to Rent sectors. The company confirmed that it signed a development partnership to deliver student accommodation in Bristol, which is expected to deliver £28m of revenue over the development period. In addition, it announced the sale of a new student accommodation scheme in Glasgow that is targeted for completion for the start of the 2028/29 academic year. Ramsdens, +20%, provides a range of retail and financial services including pawnbroking, foreign exchange, jewellery retail and precious metal purchasing. The share price rise over the quarter reflects the gold price, as there was an absence of any company specific updates. Peel Hunt, +16%, a UK investment bank focused on small and mid-sized UK corporates, confirmed in a trading update that it expects to deliver full year results ahead of market expectations. It has recently acted on some substantial M&A transactions, supported clients in a number of capital raises and delivered strong performance in Execution Services. Elsewhere, we saw a return of M&A interest in portfolio holdings, with Epwin (building products), +17%, receiving a recommend takeover offer from a trade buyer. This follows on from the previous quarter where two portfolio companies received recommended offers.

Portfolio activity was driven by the recommended offer for Epwin and the decisions by the management of Ashtead Technology and GlobalData to move their listings to the Main Market. We sold out of all three of these holdings, made some adjustments to portfolio weights and added new holdings in Avingtrans and Victorian Plumbing. Avingtrans deploy a buy and build strategy focused on engineering companies in niche markets. Its Advanced Engineering Systems division offers exposure to structural growth markets, while the Medical and Industrial Imaging division is developing 3D X-ray and MRI systems. Victorian Plumbing is the leading bathroom retailer in the UK and we believe it remains well placed to grow its market share. It has also entered the large UK homeware market after a soft relaunch of MFI in July.

Although there have been a couple of short-term company setbacks over the period, we remain encouraged by the progress being made by many of the portfolio companies. Valuations remain very attractive, and at deep discounts to elsewhere, and we continue to expect takeover approaches for portfolio companies. As mentioned before, uncertainty surrounding the proposed changes to Business Relief have weighed on sentiment in recent months, but we are hoping to receive clarity in the upcoming Budget in November.

Company spotlight

NIOX specialises in the design, development and commercialisation of devices for the diagnosis, monitoring and management of asthma. Its core product is the NIOX VERO, which is a portable, non-invasive device that is used in a point-of-care setting to measure fractional exhaled nitric oxide (FeNO) or the amount of nitric oxide exhaled in in a patient's breath. This is relevant as nitric oxide is a biomarker for asthma.

NIOX is a market leader in point-of-care FeNO testing with the NIOX VERO being approved and reimbursed in the majority of markets. NIOX is very much a global business and although the UK is its largest European market, Japan is its overall largest market in terms of revenue. Looking ahead management see the US as offering a significant growth opportunity. Although point-of-care remains its core market, NIOX has recently been generating an increased level of research sales. This is where its technology is used in clinical trials for both asthma and COPD. Going forward the level of research revenues it generates will be determined by pharmaceutical companies' investment in clinical trials.

NIOX is a profitable, cash generative business with a strong track record of revenue growth. It continues to invest in innovation with its next generation clinical device the NIOX PRO scheduled for launch later this year. Also, NIOX is investing in the early-stage development of MyNO for home use, which is a longer-term opportunity.

NIOX has a strong balance sheet with cash of £13.2m and no debt*. In terms of capital allocation, NIOX has a progressive dividend policy and is committed to returning excess cash to shareholders after investing in the business.

*Interim results, as at 31/08/25

Thorntons Investments Team

Matt Strachan

Chief Investment Officer

Matt has over 35 years' industry experience and as head of our investment management function has overall responsibility for managing our range of MPS portfolios and AIM IHT Portfolio Services. His long-term investment discipline generated strong performance when he managed the Alliance Trust Investments North America Equity Fund, receiving a Morningstar/OBSR Bronze award within one year of fund launch. Matt's considerable international investment experience saw him successfully selling out of Japan at the top of the market (1989/90), a bold move made with analytical and measured judgement.

Ciaran Garvey

Investment Manager

Ciaran joined Thorntons Investments in 2011 and has 14 years industry experience.
As Investment Manager he has joint responsibility for managing our MPS range and AIM IHT Portfolio services. Ciaran chairs our AIM Committee and his primary focus is on the analysis and selection of AIM companies for the portfolio. He is a Chartered Fellow of the CISI.

Catherine Jackson

Equity Analyst

Catherine also joined us in 2011 and is responsible for AIM company research and analysis. As a member of the AIM Committee, she assists with company analysis and portfolio selection.
She is a graduate in Mathematics and Law and holds the Investment Management Certificate.

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Important Information

This is an advised service only. Your Financial Adviser is responsible for the suitability of advice and for explaining the benefits and the risks of investing in this Service. Given the higher volatility of AIM listed-companies, equity investments should usually be held over the medium to long term. Your capital is at risk and past performance is not a reliable indicator of future performance. Shares of AIM-listed companies can be more difficult to sell than those of larger companies meaning you may not be able to sell your shares immediately and accept a price which does not reflect the underlying value.

To achieve business relief qualification, two-year ownership at death is required. Qualification is at the discretion of HMRC and is not guaranteed. Tax reliefs may be subject to future legislative change.

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