T. Bailey Funds Quarterly Report

January 2026

Key Market Insights

- **Trade tensions stayed elevated despite a truce:** Threatened tariff escalation in October gave way to a one-year US-China tariff truce after late-October talks, easing near-term supply-chain risk but left strategic issues unresolved.
- **Artificial intelligence shifted from growth to returns on capital:** Earnings and guidance highlighted how quickly infrastructure spending is rising. Oracle's December profit warning and data-centre project delays intensified scrutiny of near-term monetisation.
- **UK Budget revealed political expedience over economic reform:** Chancellor Reeves's £26 billion tax-raising package postponed hard choices, backloading tax increases whilst offering little to lift Britain's growth potential.
- **Central bank policy divergence signals regime shift:** The Bank of Japan raised rates to three-decade highs whilst the US Federal Reserve cut, reducing support for US dollar assets.

Review of the Markets

The final quarter of 2025 opened with a 43-day US government shutdown, which disrupted federal operations and delayed the release of key economic data. Although the impasse ended in November when President Trump signed stopgap funding legislation, the agreement merely deferred budget negotiations into 2026, leaving fiscal uncertainty unresolved.

Despite this backdrop, equity markets proved resilient. Artificial intelligence continued to dominate investor attention, extending a theme that had driven much of 2025's market performance. As the quarter progressed, however, investor focus shifted from growth potential to questions of profitability and capital discipline.

That reassessment intensified in December when Oracle missed revenue expectations, and its shares fell sharply following reports that Blue Owl Capital had withdrawn from a major data-centre project. The episode marked a turning point, tempering earlier enthusiasm for AI infrastructure and chipmakers. Even so, AI-exposed strategies performed well over the quarter, with the Polar Capital Artificial Intelligence Fund held across T. Bailey funds of funds portfolios returning 6.58%.

Central bank policy added further complexity. During the quarter, the US Federal Reserve delivered two quarter-point interest-rate cuts, reducing the policy range to 3.5-3.75%. The Bank of England followed with a cut to 3.75% in December, though voting divisions highlighted differing views on the inflation outlook. In contrast, the Bank of Japan raised rates to 0.75%, reflecting stronger domestic conditions. These diverging policy paths point to increasingly uneven global financial conditions and reinforce the case for geographic diversification.

In the UK, fiscal policy came into focus late in the quarter. The Budget on 26 November dominated domestic headlines. Chancellor Reeves announced £26 billion of additional taxes alongside continued freezes to income-tax thresholds, pushing the tax burden to record levels. The Budget's defining feature was its back-loaded structure, providing short-term fiscal breathing space while deferring much of the adjustment into later years. Measures aimed at supporting growth were limited.

UK economic data remained weak. GDP grew by just 0.1% in the quarter, whilst unemployment rose to 5.1%, its highest level since January 2021. Inflation eased to 3.2% by November, allowing scope for further interest-rate cuts, but underlying growth momentum remains subdued. UK equities nevertheless continue to trade on relatively low valuations with attractive dividend yields, often supported by revenue bases that extend beyond domestic economic conditions.

While equities reassessed risk, precious metals reflected persistent demand for perceived safe havens. Gold surged above US$4,300 per ounce in October, prompting exposure to be trimmed closer to long-term strategic targets. This discipline proved valuable when gold experienced one of its steepest single-day declines in years on 21 October. The metal subsequently recovered to reach a new high above US$4,500 in December.

Portfolio outcomes over the quarter benefited from broad diversification. Gold holdings and Asia ex-Japan allocations contributed positively, while healthcare and insurance-related thematic holdings added stability as technology markets became more volatile.

During the quarter, exposure to emerging market equities was increased through the Merlin Fidelis Emerging Markets Fund. Towards quarter-end, the prospect of higher Japanese interest rates prompted increased allocations to active, mid-cap and income-oriented strategies via the WS Zennor Japan Equity Income Fund.

Looking into 2026, the backdrop is shaped by high public-sector debt, greater government involvement in trade and industry, and the need for the current wave of AI investment to translate into sustainable cash flows. In this environment we consider valuation discipline, liquidity, and access to a broad opportunity set matter more than forecasting any single outcome.

Portfolios and Performance

T. Bailey Multi-Asset Dynamic Fund

Q4 2025 provided a fitting end to a strong year for the T. Bailey Multi-Asset Dynamic Fund, with a range of asset classes contributing to the 3.5% increase in Q4. Gold continued its momentous run, with our ETC returning 53.66% for 2025. Gold's safe haven characteristics were again evident this quarter, supported by falling bond yields and growing expectations of rate cuts, which reduced the opportunity cost of holding non yielding assets. Heightened geopolitical tensions and continued central bank purchases provided additional support. As we move into 2026, gold may continue to benefit from elevated geopolitical uncertainty, with tensions rising following US action in Venezuela.

Copper, often viewed as gold's more economically sensitive counterpart, also performed well this quarter, rising 16.57%. Demand remained resilient, supported by ongoing electrification and infrastructure spend, while supply stayed relatively tight due to limited new mine capacity and periodic disruptions. Improving risk sentiment into year end, alongside pockets of inventory rebuilding and stockpiling, provided additional support to prices. Elsewhere, our absolute return and hedge funds delivered steady gains, with AQR Adaptive Equity Market Neutral leading the pack. Man Absolute Value had a more challenging 2025 following an exceptional 2024, but returns improved in Q4. Performance was impacted by several short positions that were subject to M&A activity, though the team remains disciplined and committed to its investment philosophy.

Gravis Infrastructure, the funds' real assets investment, and Chrysalis exhibited some mean reversion against recent trends over the quarter, with Gravis modestly higher and Chrysalis modestly lower. We continue to favour the current risk/reward balance as both trade at a discount to Net Asset Value. Equities were a key driver of performance alongside diversifiers, with our AI and healthcare exposure among the stand out contributors. In healthcare, ongoing scrutiny of drug pricing and clearer reform momentum helped reduce perceived policy risk.

Performance Chart – 12 Months Ended Last Valuation Point in December

Source: LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

T. Bailey Multi-Asset Dynamic Fund (continued)

Best and Worst Performing Holdings

Top 3 Performing Holdings	3 Months
WisdomTree Copper ETC	16.57%
iShares Physical Gold ETC	12.12%
Polar Capital Healthcare Opportunities	7.20%

Bottom 3 Performing Holdings	3 Months
Chrysalis Investments	-1.82%
RM Infrastructure Income	-1.16%
MAN Credit Opportunities	0.03%

We have excluded those fund holdings that represent a small position size (less than 1%) from this summary.

Portfolio Highlights

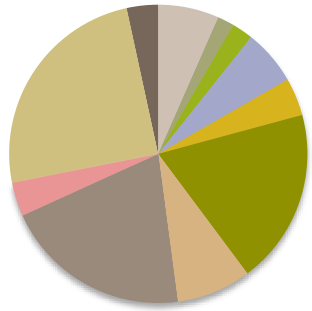
Holding	Commentary
WisdomTree Copper ETC	Copper led performance within our multi-asset portfolios, with our ETC advancing 16.57% over the quarter. Following a correction in July 2025, driven by tariff-related volatility, copper stabilised and rebuilt momentum through Q4, finishing the period close to its prior highs. The move was underpinned by a structurally tight supply–demand backdrop, compounded by disruption risk across key producing regions, notably Indonesia and Chile. Stockpiling activity provided additional support as market participants hedged against further tariff uncertainty.
iShares Physical Gold ETC	Gold contributed strongly to portfolio performance over the quarter, supported by a favourable macro environment and an increasingly uncertain geopolitical backdrop. Gold strengthened materially in Q4 as expectations of lower real rates, sustained central bank buying and renewed safe-haven demand reinforced its role as a strategic reserve asset. Persistent demand and steady investor allocations into bullion-backed vehicles underpinned prices. Gold closed the year at near record levels.
AQR Adaptive Equity Market Neutral	The fund performed well in Q4 2025 as conditions suited its market-neutral, systematic approach. Performance was driven less by wide dispersion between individual stocks than rapid style rotations and policy-led volatility. This environment typically increases the opportunity set for long/short strategies that exploit signals such as valuation, quality, momentum and sentiment. AQR was able to monetise these stock-specific return streams, with a Q4 return of 5.45%, while maintaining close to zero net market exposure.

T. Bailey Multi-Asset Dynamic Fund (continued)

Top 10 Holdings and Asset Allocation

Top 10 Holdings	%
UK Treasury Gilt	8.2
iShares $ Treasury Bond 7-10yr	7.9
Man High Yield Opportunities	6.2
iShares Physical Gold	5.5
Ranmore Global Equity	4.9
Man Absolute Value	4.8
TM Fulcrum Diversified Absolute Return	4.5
Man Credit Opportunities Alternative	4.3
Polar Capital Healthcare Opportunities	4.3
Polar Capital Insurance	4.2
Sub Total	54.8
Other 16 holdings	41.8
Cash**	3.4
TOTAL	100.0

ASSET ALLOCATION



As at 31 December 2025

UK Equities*	6.6%
US Equities*	1.8%
Europe (ex UK) Equities*	2.3%
Japan Equities*	6.0%
Pacific Basin (ex. Japan) Equities*	4.1%
Global Thematic Equities	19.0%
Commodities	8.1%
Diversifiers	20.3%
Private Equity	3.7%
Debt	24.7%
Cash**	3.4%

* excludes regional allocation in Global Thematic Equities.
**includes net exposure of forward exchange contracts.

Performance Table

CUMULATIVE PERFORMANCE AFTER ALL ONGOING CHARGES TO LAST VALUATION POINT IN DECEMBER 2025

	3 Months	1 Year	2 Years	3 Years	5 Years
WS T. Bailey Multi-Asset Dynamic A Acc.	3.50%	13.88%	21.09%	21.59%	20.81%
CPI plus 3% per annum	0.66%	5.75%	11.65%	19.58%	47.71%
IA Mixed Investment 20%-60% Shares Sector mean	2.75%	10.22%	17.03%	25.03%	21.25%

QUARTER-END DISCRETE PERFORMANCE: 12 MONTHS ENDED LAST VALUATION POINT IN DECEMBER

	2021	2022	2023	2024	2025
WS T. Bailey Multi-Asset Dynamic A Acc.	11.77%	-11.10%	0.41%	6.33%	13.88%
CPI plus 3% per annum	8.53%	13.82%	7.10%	5.57%	5.75%
IA Mixed Investment 20%-60% Shares Sector mean	7.46%	-9.76%	6.84%	6.17%	10.22%

Source: FE Analytics/LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested. Comparator benchmark: The IA Mixed Investment 20%-60% Shares sector aligns with the fund's asset allocation so gives an indication of how the fund is performing compared with others investing in a similar investment universe.

Portfolios and Performance

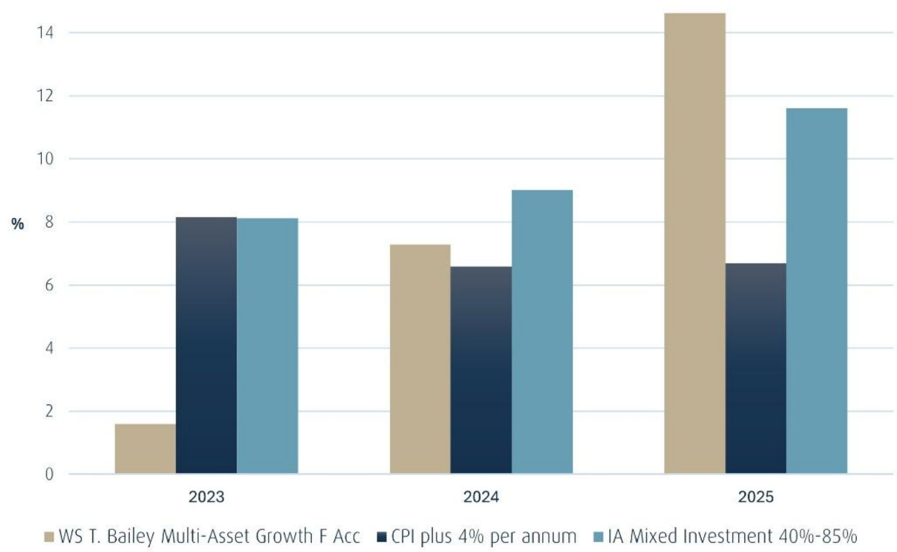
T. Bailey Multi-Asset Growth Fund

The T. Bailey Multi-Asset Growth Fund, like our other fund of funds strategies, ended 2025 on a high, rising 4.01% over the quarter. Returns were well balanced, with each asset bucket making a meaningful contribution to absolute performance. Commodities were the standout over the quarter and the year, with our gold ETC up 12.12% and our copper ETC up 16.57% in Q4. The drivers were distinct, gold continued to benefit from its role as a safe haven asset, while copper was supported by its sensitivity to global industrial activity. Looking into 2026, gold may see further support amid renewed geopolitical tensions, while copper remains a compelling way to express the energy transition theme.

The UK Budget was eagerly awaited and was largely packed with backloaded tax rises, which should help keep near term inflation stable and leave the Bank of England scope to cut rates. UK equities remain attractively valued, and our UK funds rose between 3% and 7% over the quarter. Two areas of the thematic bucket that lagged the rest were Insurance and the Water & Waste theme. Polar Insurance had a subdued 2025 versus the overall market. We remain confident in this investment, as the insurance companies in the portfolio are still growing book value, despite the stock market derating the valuation multiples. It is interesting to see that in the latest corporate results, a lot of the companies have announced large share buy programmes as a result. The Regnan Sustainable Water & Waste Strategy underperformed the broader market, but we have conviction, as the portfolio is trading at attractive valuation multiples, for better earnings growth than the market.

European equities performed well in Q4 2025. Easing inflation and expectations of rate cuts boosted investor confidence. The region's value and income oriented sectors, such as financials and energy, benefited from improving sentiment and resilient earnings, which helped the L&G Europe ex UK ETF rise 6.07%. We also increased active Japan exposure through the addition of the Zennor Japan Equity Income Fund, by reducing the exposure to its passive Japanese counterpart.

Performance Chart – 12 Months Ended Last Valuation Point in December



Source: LSGE Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

T. Bailey Multi-Asset Growth Fund (continued)

Best and Worst Performing Holdings

Top 3 Performing Holdings	3 Months
WisdomTree Copper ETC	16.57%
iShares Physical Gold ETC	12.12%
Polar Capital Healthcare Opportunities	7.20%

Bottom 3 Performing Holdings	3 Months
Chrysalis Investments	-1.82%
MAN Credit Opportunities	0.03%
Regnan Sustainable Water & Waste	0.08%

We have excluded those fund holdings that represent a small position size (less than 1%) from this summary.

Portfolio Highlights

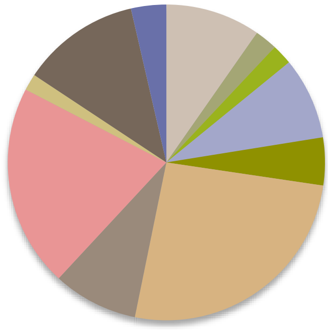
Holding	Commentary
L&G Europe ex UK Equity ETF	The L&G Europe ex-UK Equity ETF delivered a return of 6.07% over the quarter as portfolios diversified away from the US. Performance was driven primarily by strength in financials and energy. Banks benefited from resilient net interest margins and improving credit outlooks, while energy stocks were supported by firmer commodity prices and disciplined capital returns. Together, these sectors underpinned the ETF's strong absolute performance.
iShares Physical Gold ETC	Gold contributed strongly to portfolio performance over the quarter, supported by a favourable macro environment and an increasingly uncertain geopolitical backdrop. Gold strengthened materially in Q4 as expectations of lower real rates, sustained central bank buying and renewed safe-haven demand reinforced its role as a strategic reserve asset. Persistent demand and steady investor allocations into bullion-backed vehicles underpinned prices. Gold closed the year at near record levels.
WisdomTree Copper ETC	Copper led performance within our multi-asset portfolios, with our ETC advancing 16.57% over the quarter. Following a correction in July 2025, driven by tariff-related volatility, copper stabilised and rebuilt momentum through Q4, finishing the period close to its prior highs. The move was underpinned by a structurally tight supply–demand backdrop, compounded by disruption risk across key producing regions, notably Indonesia and Chile. Stockpiling activity provided additional support as market participants hedged against further tariff uncertainty.

T. Bailey Multi-Asset Growth Fund (continued)

Top 10 Holdings and Asset Allocation

Top 10 Holdings	%
Ranmore Global Equity	5.8
Zennor Japan Equity Income	5.6
iShares Physical Gold	5.3
AQR Adaptive Equity Market Nuetral	5.0
Merlin Fidelis Emerging Markets	4.9
Polar Capital Global Insurance	4.7
Polar Capital Healthcare Opportunities	4.6
MAN Absolute Value	4.6
TM Fulcrum Diversified Absolute Return	4.5
Man High Yield Opportunities	4.4
Sub Total	49.5
Other 16 holdings	46.9
Cash**	3.6
TOTAL	100.0

ASSET ALLOCATION



As at 31 December 2025

UK Equities*	9.7%
US Equities*	2.3%
Europe (ex. UK) Equities*	2.1%
Japan Equities*	8.4%
Pacific Basin (ex. Japan) Equities*	4.9%
Global Thematic Equities	25.9%
Commodities	8.7%
Diversifiers	20.8%
Private Equity	1.7%
Debt	12.1%
Cash**	3.6%

* excludes regional allocation in Global Thematic Equities.
**includes net exposure of forward exchange contracts.

Performance Table

CUMULATIVE PERFORMANCE AFTER ALL ONGOING CHARGES TO LAST VALUATION POINT IN DECEMBER 2025

	3 Months	1 Year	2 Years	3 Years	Since Launch
WS T. Bailey Multi-Asset Growth F Acc	4.01%	14.62%	22.96%	24.93%	18.62%
CPI plus 4% per annum	0.83%	6.69%	13.73%	22.98%	39.47%
IA Mixed Investment 40%-85% Shares Sector mean	3.31%	11.60%	21.65%	31.53%	25.52%

QUARTER-END DISCRETE PERFORMANCE: 12 MONTHS ENDED LAST VALUATION POINT IN DECEMBER

	2023	2024	2025
WS T. Bailey Multi-Asset Growth F Acc	1.60%	7.28%	14.62%
CPI plus 4% per annum	8.14%	6.59%	6.69%
IA Mixed Investment 40%-85% Shares Sector mean	8.12%	9.01%	11.60%

Source: FE Analytics/LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested. Comparator benchmark: The IA Mixed Investment 40%-85% shares sector aligns with the fund's asset allocation so gives an indication of how the fund is performing compared with others investing in a similar investment universe.

Portfolios and Performance

T. Bailey Global Thematic Equity Fund

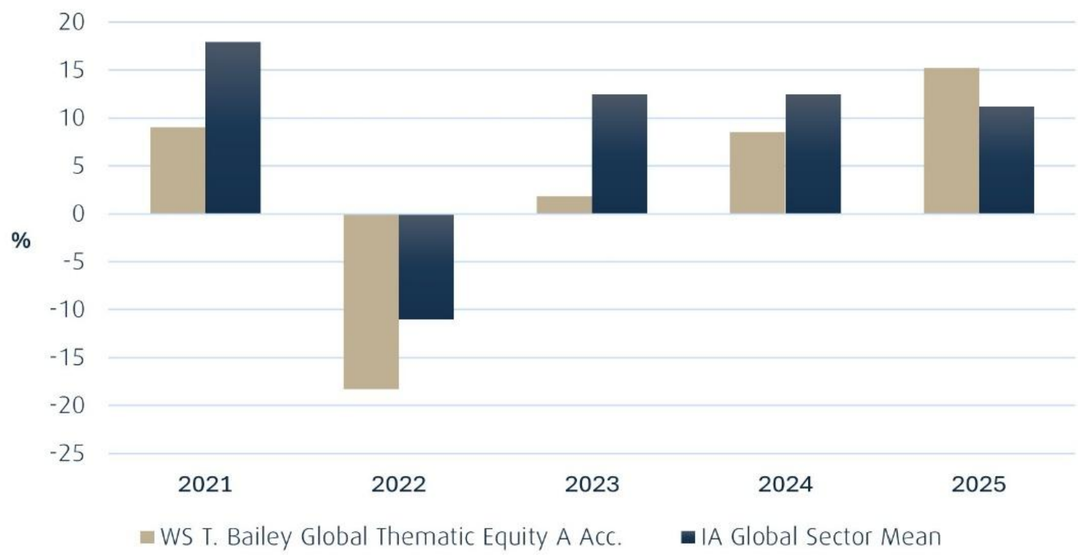
Q4 2025 marked a strong conclusion to the year for the T. Bailey Global Thematic Equity Fund, with the fund appreciating 3.81% over the quarter and delivering a 15.25% return for the full year. Performance was broad-based, with the vast majority of holdings generating positive absolute returns. The only detractors were the First Trust Cyber Security ETF and Chrysalis. While the First Trust Cyber Security ETF struggled, our other technology exposure, Polar Capital AI, performed strongly, delivering a 6.58% return. This divergence highlights the value of a genuinely active approach and the Polar strategy's ability to access AI-driven opportunities beyond traditional technology.

Chrysalis was broadly stable in October and December, but weakened in November as uncertainty around the trust's strategic direction and a pause in new investments weighed on sentiment, alongside softer NAV marks, against the backdrop of a solid year overall. We remain constructive on Chrysalis, which is trading at a 30% discount to NAV.

For our UK funds, the UK Budget was keenly anticipated and introduced a range of new taxes and increases, with most measures backloaded. This should help keep near-term inflation broadly stable, giving the Bank of England scope to cut rates if appropriate. While supportive for UK equities, the Budget offers limited near-term growth impetus. Nonetheless, UK equities remain attractively valued on fundamentals, particularly as US markets are priced at elevated multiples. Some of this value was recognised in the quarter, with our UK funds up between 5–7%.

Asia's equity momentum continued into Q4, supported by global investors diversifying away from concentrated US equity exposure, consistent with T. Bailey's long-held underweight positioning. To broaden exposure, we added the Zennor Japan Equity Income Fund, complementing our existing Japan allocation with a quality and income tilt towards larger, cash-generative companies. It also introduces differentiated return drivers through dividends and buybacks, which can support returns in flatter or more volatile markets and help smooth portfolio outcomes relative to growth-oriented strategies.

Performance Chart – 12 Months Ended Last Valuation Point in December



Source: LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

T. Bailey Global Thematic Equity Fund (continued)

Best and Worst Performing Holdings

Top 3 Performing Holdings	3 Months
WisdomTree Copper ETC	16.57%
IP Group	9.12%
Polar Capital Healthcare Opportunities	7.20%

Bottom 3 Performing Holdings	3 Months
First Trust Nasdaq Cybersecurity UCITS ETF	-5.08%
Chrysalis Investments	-1.82%
Regnan Sustainable Water & Waste	0.08%

We have excluded those fund holdings that represent a small position size (less than 1%) from this summary.

Portfolio Highlights

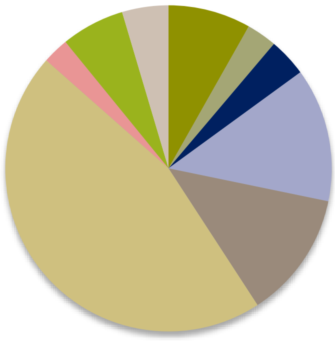
Holding	Commentary
Polar Capital Healthcare	Polar Capital's healthcare strategy rose 7.2% in Q4, supported by a constructive backdrop for the sector. Policy risks that had weighed on sentiment began to recede, valuations looked attractive versus equities, and investors rotated toward high-quality, cash-generative businesses with resilient earnings. Stock-specific factors helped, with positive clinical and product news supporting key holdings and renewed confidence in innovation-led growth, allowing participation in the sector's year-end recovery.
Zennor Japan Equity Income	The fund was added early in the quarter and leans toward larger, dividend-paying stocks and can work well alongside a more growth-focused Japan fund (JK Japan). It looks for steady, dependable earnings that the team believes the market underrates, enhanced by improving corporate practices in Japan. As a result, it owns solid businesses with clear advantages, healthy balance sheets, and cash flows that can support and grow dividends.
Royal London Sustainable Leaders	Royal London Sustainable Leaders Fund returned 6.88% in Q4 2025 as UK equity leadership rotated toward areas where the strategy is structurally positioned, notably high-quality UK-focused business models and financials. The UK Budget on 26 November 2025 also supported sentiment by reducing near-term policy uncertainty and leaning on backloaded measures that helped keep the inflation outlook contained. This reinforced expectations that the Bank of England would have scope to cut rates, supporting UK risk assets into year end.

T. Bailey Global Thematic Equity Fund (continued)

Top 10 Holdings and Asset Allocation

Top 10 Holdings	%
Polar Capital Healthcare Opportunities	8.4
Ranmore Global Equity	8.2
Baillie Gifford Pacific	7.3
Polar Capital Global Insurance	7.2
WS Havelock Global Select	7.1
Polar Capital Artificial Intelligence	6.0
Polare Capital UK Value Opportunities	5.6
Regnan Sustainable Water & Waste	5.6
Merlin Fidelis Emerging Markets	5.3
JK Japan	5.2
Sub Total	65.9
Other 9 holdings	29.6
Cash	4.6
TOTAL	100.0

ASSET ALLOCATION



As at 31 December 2025

UK Equities*	8.2%
US Equities*	3.0%
Europe (ex. UK Equities)*	3.8%
Japan Equities*	13.3%
Pacific Basin (ex. Japan) Equities*	12.6%
Global Thematic Equities	45.8%
Commodities	2.6%
Private Equity	6.3%
Cash	4.6%

* excludes regional allocation in Global Thematic Equities.

Performance Table

CUMULATIVE PERFORMANCE AFTER ALL ONGOING CHARGES TO LAST VALUATION POINT IN DECEMBER 2025

	3 Months	1 Year	2 Years	3 Years	5 Years
WS T. Bailey Global Thematic Equity A Acc.	3.81%	15.25%	25.12%	27.44%	13.51%
IA Global Sector Mean	2.71%	11.17%	25.06%	40.63%	47.54%

QUARTER-END DISCRETE PERFORMANCE: 12 MONTHS ENDED LAST VALUATION POINT IN DECEMBER

	2021	2022	2023	2024	2025
WS T. Bailey Global Thematic Equity A Acc.	9.04%	-18.31%	1.85%	8.56%	15.25%
IA Global Sector Mean	17.95%	-11.05%	12.45%	12.49%	11.17%

Source: FE Analytics, LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

Portfolios and Performance

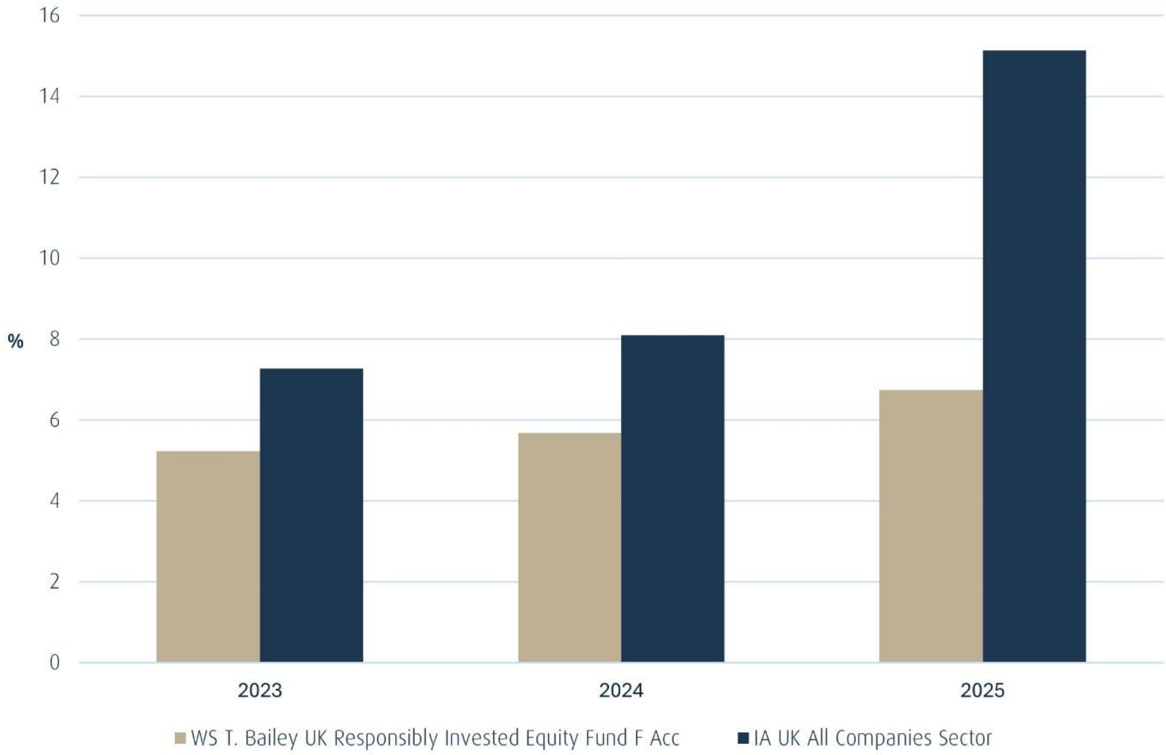
T. Bailey UK Responsibly Invested Equity Fund

The UK equity market returned 6.38% this quarter. The strongest returns were concentrated rather than broad based as the fourth quarter continued the pattern of leadership seen throughout the year with globally exposed sectors disproportionately driving returns. Metals and mining, energy and financials dominated whilst more domestic and rate sensitive sectors lagged.

The majority of these market leaders don't meet the metrics of sustainable financial strength to be eligible investments. Where we have found companies which meet the fund's criteria, their inclusion has been additive. We've benefitted from exposure to the banking sector having introduced Lloyds and NatWest, the latter being one of the strongest performers this quarter. Leading performance came from financial exposure through asset manager Man Group. The opportunity to find financially sound businesses on attractive valuations has focused the fund's exposure to areas of the market not yet appreciated.

Against this backdrop, the fund returned 3.8% for the quarter, up 6.7% for the calendar year.

Performance Chart – 12 Months Ended Last Valuation Point in December



Source: LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

T. Bailey UK Responsibly Invested Equity Fund (continued)

Best and Worst Performing Holdings

Top 3 Performing Holdings	3 Months
Man Group	28.25%
NatWest	24.96%
AstraZeneca	23.32%

Bottom 3 Performing Holdings	3 Months
Mondi	-11.31%
Experian	-9.65%
Bytes	-8.78%

Portfolio Highlights

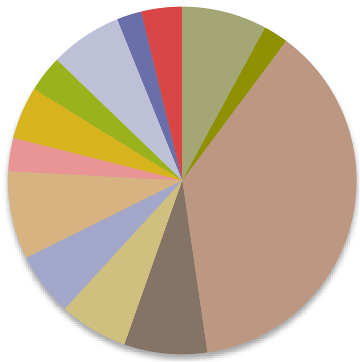
Holding	Commentary
Man Group	Man Group is a global active investment manager specialising in alternative and long-only strategies across public and private markets. Their Q3 trading statement released in mid-October was a major positive catalyst for a rebound in the share price having announced strong inflows and reaching record assets under management.
NatWest	Retail and commercial bank NatWest maintains a strong domestic market share offering wealth management and corporate banking services as well as a growing digital franchise. Results ahead of consensus on the back of upgraded guidance going in to the new year saw the share price surge throughout the final quarter.
Mondi	Global integrated packaging and paper group, Mondi, was the quarter's weakest holding. The Q3 trading update triggered a sharp sell off as the extent of the reported trading environment slow down surprised the market. Management highlighted focus on cash generation, capex restraint and returns while positioning for a cyclical upturn in packaging demand.

T. Bailey UK Responsibly Invested Equity Fund (continued)

Top 10 Holdings and Asset Allocation

Top 10 Holdings	%
Tesco	4.9
Rotork	4.6
IMI	4.2
Astrazeneca	4.0
Hikma	3.7
Experian	3.7
Intertek Group	3.7
Halma	3.6
Clarkson	3.6
Lloyds Banking Group	3.6
Sub Total	39.6
Other 20 holdings	56.7
Cash	3.8
TOTAL	100.0

ASSET ALLOCATION



As at 31 December 2025

Technology	7.9%
Retail	2.3%
Industrial Goods and Services	37.6%
Health Care	7.7%
Financial Services	6.4%
Insurance	5.9%
Construction and Materials	8.2%
Food and Beverage	3.1%
Personal Care, Drug and Grocery	4.9%
Basic Resources	3.4%
Banks	6.7%
Media	2.3%
Cash	3.8%

Performance Table

CUMULATIVE PERFORMANCE AFTER ALL ONGOING CHARGES TO LAST VALUATION POINT IN DECEMBER 2025

	3 Months	1 Year	2 Years	3 Years	Since Launch
WS T. Bailey UK Responsibly Invested Equity Fund F Acc	3.83%	6.74%	12.79%	18.69%	1.93%
IA UK All Companies Sector mean	3.90%	15.14%	24.46%	33.49%	26.92%

QUARTER-END DISCRETE PERFORMANCE: 12 MONTHS ENDED LAST VALUATION POINT IN DECEMBER

	2023	2024	2025
WS T. Bailey UK Responsibly Invested Equity Fund F Acc	5.23%	5.67%	6.74%
IA UK All Companies Sector mean	7.26%	8.09%	15.14%

Source: FE Analytics/LSEG Workspace. Past performance is not a reliable indicator of future results. The value of your investment and the income derived from it can go down as well as up and you may not get back the money you invested.

Asset Class Views

Asset Class	Manager views
UK Equities	We maintain exposure to domestic equities. The UK market offers an attractive valuation compared to US peers and a strong dividend yield of ~ 3%. Catalysts for the valuation discount to close include continued corporate share buy backs and M&A.
North American Equities	Fiscal and monetary policy dynamics should support US equities, but higher valuation multiples and concentration risk means we advocate a lower allocation to US equities. We believe it is prudent to be selective, moving toward beneficiaries outside the tech sector, and companies that are beneficiaries of implementing AI. Through thematic funds we are invested in sectors like Insurance and Healthcare, that exhibit both broad-based earnings growth and provide quality given their market share and pricing power.
European Equities	The risk/reward for European equities is interesting, given both the valuation on an absolute and relative basis, and the catalyst that governments are looking to increase their investment spending on infrastructure and defence. The potential macro catalysts include easing inflation and the European Central Bank's easing cycle.
Japan Equities	We continue to be constructive on Japanese equities, supported by ongoing corporate reforms, modest but improving wage growth, and reflationary government policies.
Asia Pacific ex-Japan Equities	We are constructive on Asia Pacific ex-Japan, due to the attractive valuations, robust EPS growth rates, robust fiscal positioning and potential benefits of any further USD weakness.
Global Thematic Equities	We remain positive on the AI theme, holding the Polar Capital Artificial Intelligence Fund, but see the benefits expanding into other sectors like Healthcare, Insurance, and Water and Waste companies, given the valuation of these themes versus relative history.
Commodities	We have exposure to both Gold and Copper, where we are constructive on both the supply and demand dynamics of both metals. Gold is also a risk-mitigating asset and diversifier from the US dollar.
Diversifiers	Absolute return funds provide useful idiosyncratic risk-reward opportunities that place less reliance on market direction to generate positive returns. They are also well placed to take advantage of market mispricing in periods of volatility.
Debt	In fixed income, fiscal spending concerns, inflation, and central bank easing will be the focus of the markets. We are neutral on duration overall, but see potential for curve steepening.

Outlook for the next Quarter

2025 was a strong year for equity markets, driven by factors such as the AI capex cycle, monetary easing and fiscal stimulus.

Looking ahead into 2026, the backdrop for risk assets remains broadly favorable. This is driven by economic growth, continued easing of inflation and supportive central banks. Looking ahead, considering current index valuations (particularly in the US), we believe that investing with active managers is paramount as stock picking becomes more important.

We also believe that diversification within equities, outside of the USA, and in regions where the risk/reward is more attractive will also be key. The drivers of returns are becoming more dispersed, both in equity markets and in other asset classes.

As investors, we note a disconnect between the positive short term environment for risk assets and a broader structural instability due to global fragmentation. This occurred as investors question US exceptionalism and the rule of law, a depreciating US dollar, and the potential risk with both how independent the US Federal Reserve will be, and how AI capex trends will be perceived by the equity market.

At T Bailey, we believe it is a time to be prudent with risk, a time to be selective, to think globally, and to build equity and multi asset class portfolios that can adapt to a more volatile and multipolar world.

In the T Bailey funds, within equities, we are constructive on emerging markets, due to the supportive economic and cyclical backdrop. Valuations are more demanding in other regions, like the USA, but as active managers, we are selective in being exposed to sectors and themes where valuations are attractive and there is earnings momentum. An example of this is within Financials, where we are constructive on the Insurance sector. Thematically, we remain positive about the Healthcare sector, which we believe will be an increasing beneficiary of the AI theme. AI is driving both cost savings and trial efficiencies within the healthcare companies that T Bailey invest in.

In the US equity market, we are also constructive on the valuation opportunity in the small to midcap range. The T Bailey funds have some exposure to that part of the market through the Regnan Waste and Water fund.

We also remain constructive on absolute return strategies like AQR and Fulcrum, which we hold in the multi-asset funds. Given the current uncertainty, we believe they play a very important role as a source of idiosyncratic risk and return, and are a core part of the funds as we navigate the markets in 2026.

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