AIM STRATEGY
YOUR INHERITANCE TAX SOLUTION

QUILTER CHEVIOT

Q2 2026

PORTFOLIO CHARACTERISTICS

- High quality and profitable companies
- Operating in a structurally growing market
- Diversified across sectors

Strategy Details

Launch Date	31 May 2017
Product Type	Discretionary portfolio
Number of stocks	22
Minimum Investment	£100,000

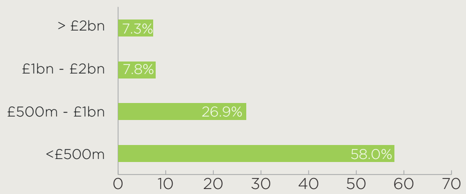
Service Charges

Initial Charge	1.00% (capped at £5,000)
Annual Management Charge	
First £1.0m	1.25%
Next £1.5m	0.50%
Next £3.0m	0.40%
Thereafter	0.30%
Dealing Fee	0%

Top 10 Holdings

- Cohort
- Advanced Medical Solutions Group
- FRP Advisory Group
- Jet2
- Craneware
- Renew Holdings
- Sigmaroc
- Restore
- BRCK Group
- MHA

Market Capitilsation of the Strategy



Quilter Cheviot, Refinitiv/LSEG, June 2026

Investments in stocks quoted on the Alternative Investment Market are likely to be harder to sell and to fall and rise more than shares listed on the main exchange, accordingly they are considered higher risk. Please see page 2 for more information.

STRATEGY OBJECTIVE

The Quilter Cheviot AIM Strategy, an inheritance tax solution (IHT), provides a professionally researched and managed portfolio of Business Relief-qualifying Alternative Investment Market (AIM) listed stocks, helping clients protect and share their legacy of wealth with their loved ones.

Q2 2026

Markets delivered a strong risk-on rally in Q2 2026, with global markets rising 14.3% despite a period shaped by the Iran war, volatile energy prices and shifting expectations for growth and inflation. The US market rose 14.5%, supported by continued heavy investment from AI hyperscalers and strong demand across the semiconductor supply chain, particularly in advanced chips, memory and AI infrastructure. Europe ex-UK gained 12.8%, helped by exposure to global manufacturing and technology exporters. UK equities rose 4.0% but lagged international markets, with the energy sector and currency weakness weighing on relative performance. The Deutsche Numis Alternative Markets Index returned 6.5%, reflecting the broader risk-on backdrop.

Performance

The Quilter Cheviot AIM Strategy returned 9.2% over the quarter, outperforming the benchmark by 270bps.

18 investee companies reported during the period: 2 exceeded expectations, 15 met expectations and 1 fell short.

Key positive contributors were **Advanced Medical Solutions (AMS)**, **YouGov** and **Victorian Plumbing**. **AMS**, a leading developer and manufacturer of advanced woundcare and surgical products, agreed to a recommended cash acquisition by US-listed H.B. Fuller at 285p per share, representing a c.35-39% premium to undisturbed levels, with completion expected by year end. **YouGov**'s share price recovered following recent weakness, while **Victorian Plumbing** confirmed trading was in line with expectations and continued to gain market share, with momentum building behind the MFI brand.

Key detractors included **Midwich**, the global specialist audio visual distributor, and **BRCK Group**, previously known as Brickability. **Midwich** confirmed trading had improved in Europe and the group was performing in line with expectations, excluding its Middle East business. **BRCK**, a leading distributor and provider of specialist products and services to the UK construction industry, rejected a 65p-per-share offer from Atlas Holdings, citing undervaluation, and confirmed trading remained in line with expectations.

Portfolio activity included two new positions, **The Property Franchise Group (TPFG)** and **Gooch & Housego (G&H)**, alongside the sale of **Mortgage Advice Bureau** ahead of its move to the Main Market and consequent loss of business relief qualification. **TPFG** is the UK's largest multi-brand property franchisor, with an asset-light model, more than 50% recurring revenue, strong cash generation and growth opportunities across franchise expansion, financial services penetration, licensing and acquisition synergies. **G&H** designs and delivers advanced photonics engineering and fibre optic cables across aerospace and defence, industrials and life sciences. We are attracted to its exposure to growing end markets, strong order book and self-help measures to improve margins.

Outlook

Portfolio fundamentals remain strong, supported by robust balance sheets and structural tailwinds, although this has not yet been reflected in share price performance across a number of holdings. With the government's changes to inheritance tax relief now in force as of April 2026, AIM outflows appear to be slowing, reducing downward pressure on share prices. More stable flows should help investors refocus on the attractive valuations at which many portfolio companies trade. Increased M&A activity across UK small and mid-cap companies further highlights the compelling valuation opportunity within the asset class.

Please see page 2 for our updated risk controls.

PERFORMANCE	Q2 2026	Year to 30 Jun 26	Year to 30 Jun 25	Year to 30 Jun 24	Year to 30 Jun 23	Year to 30 Jun 22
**QC AIM Strategy	9.2%	-13.0%	-4.8%	6.2%	-7.8%	-29.9%
*Deutsche Numis Alternative Markets Index ex Investment Companies index	6.5%	1.3%	1.0%	1.9%	-12.7%	-29.3%

Source: *Refinitiv Datastream. **Pricing data source: Interactive Data; Composite returns source: Figaro. The figures are total return and net of fees and charges. All figures to 30 June 2026. A breakdown of the Deutsche Numis Alternative Markets ex Inv Cos index is available upon request.

IMPORTANT: The value of investments and the income from them can go down as well as up. You may not recover what you invest. Past performance is no guarantee of future returns.

**Note: As of Q1 2023, the AIM Strategy performance data shown is a composite of live client AIM portfolios that have been running for longer than 3 months. Prior to Q1 2023, this period was 12 months.

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PORTFOLIO MANAGERS

Amisha Chohan
Head of Equities

Amisha chairs the Quilter Cheviot AIM Committee. She has over 20 years' experience in investment management and researching small to large cap companies globally. Amisha joined Quilter Cheviot in 2016 from Sanlam. She read Business Finance at the University of Durham and has a MA in Finance and Investment from the University of Nottingham.

Richard Mitchell
Lead Portfolio Manager

Richard has over 16 years' experience in the discretionary fund management industry, and joined Quilter Cheviot in 2018. He is the Lead Portfolio Manager of the Quilter Cheviot AIM Strategy, and is responsible for the implementation and ongoing management of underlying client portfolios. Richard graduated from the University College London (UCL) with a degree in History and Philosophy of Science.

TALK TO US TODAY

Quilter Cheviot, Senator House,
85 Queen Victoria Street,
London, EC4V 4AB

T. +44 (0)20 7150 4000

E. enquiries@quiltercheviot.com

W. quiltercheviot.com

STRATEGY PERFORMANCE to 30 June 2026

Source: Quilter Cheviot, Refinitiv Datastream. Past performance is not a guarantee of future returns.

SECTOR BREAKDOWN (%)

Automobiles & Components	3.5%
Capital Goods	19.5%
Commercial & Professional Services	10.0%
Consumer Discretionary Dist. & Retail	3.5%
Financial Services	7.5%
Food Beverage & Tobacco	8.5%
Health Care Equipment & Services	15.8%
Household & Personal Products	2.8%
Materials	6.0%
Media & Entertainment	6.0%
Pharmaceuticals Biotech & Life Sciences	1.0%
Real Estate Management & Development	2.0%
Technology Hardware & Equipment	3.5%
Transportation	7.0%

AIM-SPECIFIC RISKS

- There is a less readily available market for investments in smaller companies. This can make selling investments more difficult.
- The advantages of investing in a portfolio of AIM stocks depend on the tax rules in force and the investee company maintaining their qualifying status.
- Investing in smaller companies and those involved in niche sectors such as new technology or alternative energy will often see price movements which are above average. Price changes can be greater than those experienced by investments held in companies with a full listing on the London Stock Exchange.
- The AIM Strategy does not take unrealised capital gains into account when making changes to client portfolios. This means there may be occasions when realised gains are in excess of your Annual Exempt Amount (AEA), which may result in you having to pay capital gains tax (CGT).
- Please refer to the AIM Strategy brochure for a full list of risks.

RISK CONTROLS

Quilter Cheviot risk controls are:

- Engage with management before we invest
- Focus on profitable businesses
- Avoid "blue sky" companies
- A preference for larger, established companies
- Actively manage holding size to ensure liquidity and diversification.