

AIM Inheritance Tax (IHT) Investment Service

As part of their inheritance tax planning, clients can benefit from our AIM IHT Investment Service, which potentially gives exemption from inheritance tax after only two years by investing in companies that qualify for business relief.

About AIM (The Alternative Investment Market)

Launched in 1995 with just ten companies. A less tightly regulated market than the main London Stock Exchange, AIM provides a lower cost alternative for growth companies. It has seen some tremendous successes over the years, as companies have used their listing to raise capital in order to grow their businesses. AIM currently has around 700 companies (N.B. not all AIM listed companies qualify for business relief and therefore inclusion in an AIM IHT portfolio). It should also be noted that it has seen its fair share of failures too. Investing in AIM carries greater risk than investing in blue chip FTSE stocks but may be advantageous for some clients as part of a broader investment universe.

Why consider R.C.Brown's AIM IHT Investment Service?

Our AIM Expertise – we have been investing in the AIM market for over 25 years. We are aware of the potential for growth but also the pitfalls in the market.

Our unique primary opportunities process – this allows us unrivalled access to IPO's and equity raisings which are typically the preserve of institutional investors. We have been running our UK equities via this process since we were founded in 1990.

Our experienced team – Oliver Brown and Neil Whelan both have over 16 years' experience in the financial services sector. Oliver is also lead manager of the IFSL R.C.Brown UK Primary Opportunities Fund which has a strong long term performance record, and can and does invest in the AIM market.

Competitive & transparent fees – there are no dealing, custody or hidden charges.

Low minimum – we will establish an IHT portfolio from £20,000

Diversification – we look to hold 30-40 companies in a portfolio. This is typically more diversified than our peers, providing the potential for more consistent returns and less damaging to performance should a holding fall sharply.

FEES

Our management charge for an IHT portfolio is 0.95% pa. This is inclusive of all dealing & administration charges. A flat-rate Custody Fee of 0.30% pa will be charged monthly, at the same time as the management fee.

Fees are calculated calendar monthly and charged according to the total portfolio value at the month end.

HISTORIC PERFORMANCE

We created our AIM / IHT Investment Service in May 2018, at the specific request of an existing client. The performance figures quoted are taken from that portfolio, as at 30/9/2025 and are post all fees & transaction costs.

	<u>3 Months</u>	<u>6 Months</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Year</u>	<u>Since Inception (1 May 2018)</u>
RCBIM	-3.19%	14.00%	2.29%	2.48%	-12.55%	- 8.21%
FTSE AIM All Share Index	2.04%	16.08%	7.85%	2.78%	-11.73%	-17.53%

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EXAMPLE PORTFOLIO

This is an example of the holdings in a client portfolio as at 30th September 2025 (exact stock selection and sector weightings for a new client portfolio may be different from this illustration):

Larger companies re-asserted the performance advantage they have held for the past few years with the FTSE 100 reaching record highs. Whilst performance year to date of the AIM index has been reasonable, rising 11% so far this year, we are still awaiting for the tide to truly turn in favour of medium and smaller companies, which AIM is likely to be a beneficiary of. M&A activity we anticipate will remain a feature of the market as overseas buyers and private equity firms take advantage of modest valuations. Following a particularly strong second quarter, the performance of our portfolio was disappointing this quarter. It proved a quiet period for new primary opportunities over what is traditionally a quieter period due to summer. We did however purchase Nichols, a soft drinks manufacturer, whilst Johnson Service Group was sold as a result of its move to the main market. Marlowe was also sold prior to its takeover. We are pleased to report that MHA, the accountancy firm, that we purchased at IPO in the previous quarter, has continued its strong performance, and now sits at more than 40% above its IPO price in April. On a more disappointing note, shares in AOTI, a healthcare company, have continued to fall as uncertainty over the impact of President Trump's healthcare bill prevails.

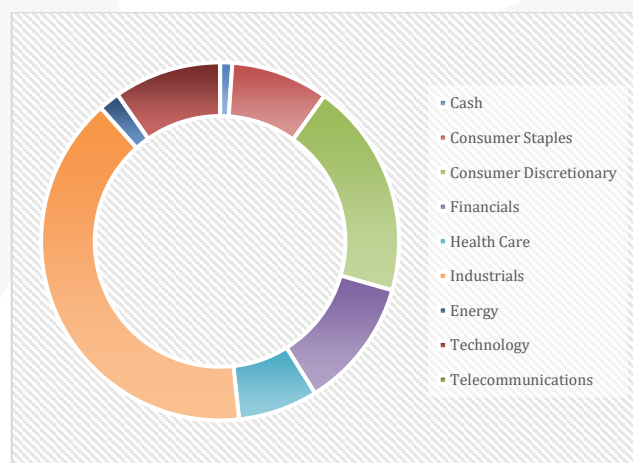
We are seeing a growing pipeline of fund raising opportunities and anticipate making some new investments over the coming quarter.

Animalcare
AOTI
Ashtead Technology
Brickability
Cerillion
Cohort
Fonix Mobile
Franchise Brands
FRP Advisory
Jet2 Group
Fintel
Hargreaves Services
Helios Underwriting
Impax Asset Management
Kitwave
Lords Trading Group

MHA
Microlise
Midwich
Next 15
Nichols
Niox
Optima Health
Rosebank Industries
Sigmaroc
Springfield Properties
Supreme
Tatton Asset Management
Team17
Volex
Young & Co Brewery

By sector:

Cash	1.1%
Consumer Staples	8.8%
Consumer Discretionary	19.5%
Financials	11.7%
Health Care	7.2%
Industrials	40.1%
Energy	1.9%
Technology	9.7%
Telecommunications	0.0%



RISK DISCLOSURE

Due to the nature of the investments held within the portfolio, clients will be classified as having a growth objective with a high risk tolerance.

Investing in AIM shares traded on the London Stock Exchange will mean that the value of assets, and any income received from them, may go down as well as up and you may not get back all the money invested. There are three main reasons why this might happen:

- 1) The actual or perceived financial standing and trading well-being of the AIM companies involved may change.
- 2) The AIM shares themselves are subject to the laws of supply & demand and are capable of significant price movements irrespective of market and corporate factors. Such movements could be a reflection of the company size and marketability.
- 3) The AIM market itself is capable of large movements due to economic, political and other factors.

AIM is a market designed primarily for emerging smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM shares are not admitted to the official list of the United Kingdom Listing Authority.