

The background of the top half of the page features a dark blue gradient with a complex, abstract pattern of thin, light blue lines that create a sense of depth and movement, resembling a stylized globe or a network of connections.

Brickwood

ASSET MANAGEMENT

TM Brickwood UK Value Fund

INVESTMENT REVIEW

For the period 1 October 2025 to 31 December 2025

Summary

The FTSE All Share continued to rally in the fourth quarter of 2025, capping a banner year for the UK stock market which returned 24% during the year. Despite this strong performance, we continue to find attractive investment opportunities across a wide range of sectors, including an increased number of high-quality businesses—previously priced beyond our reach—that now meet our valuation criteria. This makes us confident in the fund’s outlook, both in absolute terms and relative to the broader market over the medium term.

Market background

The FTSE All Share ended the calendar year strongly in the fourth quarter, returning +6% in local currency. In a period when anxiety over the state of the UK economy continued to drive sentiment, it was no surprise to see the larger, globally diversified companies which constitute the FTSE 100 once again outperform the more domestically focused FTSE 250. Stylistically, value outperformed growth by a wide margin during the quarter, largely driven by the performance of two sectors: miners and banks. The mining sector continued to benefit from the parabolic rally of precious metals and growing expectations for copper demand in an AI-dominated world. Banks performed very strongly, buoyed by a combination of global growth expectations, investor optimism about the state of their balance sheets and an interest rate environment which, while generally less accommodative than at the start of the year, remains favourable.

By contrast, investors shunned domestically focused consumer cyclicals due to their sensitivity to the UK economy. Paradoxically, the market was also indifferent to the prospects of ‘quality’ companies which have demonstrated less sensitivity to the economic cycle over time but which, for the time being at least, are viewed as less attractive than businesses exposed to the AI growth opportunity.

Overall, the strong performance in the fourth quarter capped a remarkable year for the FTSE All Share, which shrugged off domestic concerns and tariff-related uncertainty and returned +24% during 2025. While the FTSE 250 lagged the FTSE 100 on a relative basis, it should be noted that it nonetheless returned +13% on absolute basis over the calendar year. In a year when sentiment towards the UK economy steadily deteriorated, these very strong index-level returns illustrate the enduring importance of starting valuations to overall investment returns.

Fund performance

The fund, which has outperformed the FTSE All Share since inception last year, participated in the rally in the fourth quarter while marginally lagging the benchmark. At a sector level, our allocations to banks and miners contributed positively to returns. Barclays, NatWest and Standard Chartered all benefited from the tailwinds which drove the overall index return, as did global mining company Rio Tinto. The continued rally in the shares of miners of precious metals, which have now moved well beyond what we consider their fair value, created a headwind to relative performance. Among our individual holdings, Airtel Africa was once again the strongest performer as it continued to benefit from strong growth in consumer demand for data across its core markets.

In a tough environment for UK consumer cyclicals, our holding in B&M European Value Retail underperformed after operational and financial reporting issues illustrated that the business had lost its way a little under the previous management team. The new CEO’s turnaround plan is focused on core retail principles, such as sharper pricing and range rationalization. Our holding in JD Sports also detracted after the group modestly downgraded profit guidance for the full year. The company’s very low valuation gives us confidence to look through this near-term weakness at the clear scope for improved growth and cash generation.

Portfolio activity

We added three new positions to the portfolio during the quarter. In Bunzl, we were presented with the opportunity to acquire a high-quality, cash-generative company after a rare earnings misstep. There is the potential for attractive returns even if historic growth rates cannot be recaptured. Mony Group is a high-quality, net cash business with strong cash conversion and high returns on operating assets, which the market sees as having little prospect for growth, despite strong historic growth rates. Tate & Lyle trades at a significant discount to peers due to weak organic growth and regulatory risks facing the use of artificial sweeteners. A re-rating is possible if the company demonstrates the growth potential in its specialty ingredients portfolio.

We took some profits in NatWest after a very strong run of performance and sold out completely of Dr Martens, a small consumer cyclical which has performed better than many UK peers. Although further upside is possible if they execute flawlessly, we decided to reallocate the proceeds into other UK cyclicals whose shares had performed worse even though the operational dynamics are similar.

Airtel Africa has been the best performing position in the fund since its inception. However, with the share price having nearly trebled year to date, the valuation had moved ahead of operational performance. Having trimmed the position last quarter, we used the latest price spike to sell our position and used the proceeds to fund new holdings.

Outlook

It has been a banner year for investors in UK equities, rumours of whose demise have been greatly exaggerated. Returns were strong on both an absolute and relative basis. The FTSE All Share outperformed the US market by over 15% during the year, with the absolute US returns available to sterling-based investors further reduced by dollar weakness. By most measures, it has been an even better year for investors in UK value equities, which outperformed the FTSE All Share. The performance of sectors such as banks, defence companies and miners all led the market. The fund, which continues to have positions in each of these sectors, benefited from these trends.

What can investors expect in 2026 after such a strong run of performance? In keeping with our value philosophy, we believe that starting valuations, rather than the year-ahead outlooks traditionally published by sell-side firms, are the most reliable guide to future returns. Our preferred valuation measure is known as CAPE Yield (CAPE stands for cyclically adjusted price-to-earnings ratio). Historically, there has been a clear, linear relationship between CAPE Yield and subsequent returns. For example, the average 10-year return for investors who have invested in equities with a 2-4% CAPE Yield has been between 2% and 4%. The average return for investors who have invested in equities with an 8-10% CAPE Yield has been between 8% and 10%.

UK equities, which began 2025 on a CAPE Yield of just over 6%, now trade on a yield of just under 5.5%¹. While the yield has reduced, UK equities remain among the cheapest developed markets globally, suggesting that the prospects for the UK remain attractive on a relative basis. Helpfully for stock pickers, valuation spreads remain wide across large stretches of the UK market, and we continue to find attractive opportunities across a wide range of sectors - including real estate, consumer goods, industrials and consumer cyclicals.

Moreover, following weak share price performance we have seen a meaningful increase in the number of high-quality businesses—previously priced beyond our reach—that now meet our valuation criteria. The quality of companies passing our valuation screens, as measured by characteristics such as strong cash generation, resilient earnings and established brands, improved as the year progressed. This means that, despite the strong performance of classic ‘value’ sectors in 2025, we have been able to construct a well-diversified portfolio trading on a CAPE yield which is meaningfully higher than the benchmark. With this expanding opportunity set, we remain confident in the fund’s outlook, both in absolute terms and relative to the broader market over the medium term.

¹Source: Shiller Barclays CAPE Index Family, “Historic CAPE Ratio by country”.

TM Brickwood UK Value Fund

Investment Review as at 31 December 2025

Brickwood

— ASSET MANAGEMENT —

How to invest If you would like to invest in the TM Brickwood Funds, you can submit an application form to Brickwood's ACD, Thesis Unit Trust Management Limited or the Registrar. Application forms can be obtained by calling the ACD's Customer Enquiry Line on 0333 300 0375.

The TM Brickwood Funds are also available for investment through the following platforms, AJ Bell, Aegon, Aviva, Best Invest, Charles Stanley, Hargreaves Lansdown and Interactive Investor.



TM Brickwood UK Value Fund

Fund Factsheet as at 31 December 2025

Brickwood
— ASSET MANAGEMENT —

Fund Objective and Investment Policy

The investment objective of the Fund is to outperform its benchmark, the FTSE All Share Index, net of fees, over the long term (a rolling 5-year period).

Capital is at risk. There is no certainty or promise that the Fund will achieve the target over a 5-year rolling period or any other period.

The Fund aims to achieve the investment objective by investing at least 80% in shares of UK companies (defined as companies which are domiciled, incorporated or have a significant portion of their business in the UK), of which at least 80% will be in the constituents of the FTSE 350.

Fund Performance

Since the fund was launched within the past year and has a track record of less than 12 months, its performance and tracking error cannot currently be displayed.

Top 10 Holdings (%)

Glaxosmithkline	3.1
Barclays	3.0
Vodafone	2.9
Standard Chartered	2.9
Prudential	2.9
British American Tobacco	2.8
Johnson Matthey	2.7
BP	2.5
Rio Tinto	2.5
Sanofi	2.5

Sector Breakdown (%)

Financials	17.4
Industrials	15.1
Consumer Staples	14.0
Consumer Discretionary	10.6
Materials	10.2
Communication Services	9.7
Health Care	6.8
Energy	6.1
Other	5.6
Cash	4.6

Market Cap Breakdown (%)

<£1bn	7.3
£1bn-£2bn	11.1
£2bn-£5bn	25.2
£5bn-£10bn	9.3
£10bn-£25bn	9.5
>£25bn	33.1

Country Breakdown (%)

United Kingdom	87.7
France	4.3
Netherlands	1.8
Germany	1.6
Cash	4.6

Risk Statistics

Dividend Yield	4.3
P/E Ratio (fwd)	12.1
P/B Ratio (hist)	1.4
Active Share (%)	70.3
Tracking Error	-

Please note due to rounding of figures they may not add up to 100%.

Contact Brickwood

www.brickwoodam.com/contact-us/

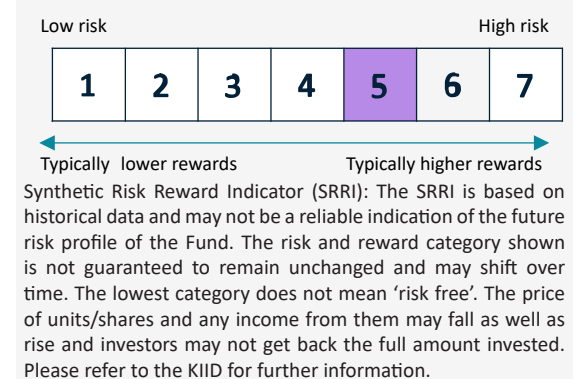
Telephone: 0333 300 0375

Email: enquiries@brickwoodam.com

Key Information

Fund Managers:	Ben Whitmore Kevin Murphy
Fund Launch Date:	24 February 2025
Share Class Launch Date:	24 February 2025
ACD:	Thesis Unit Trust Management Limited
Fund Size:	£157.6 million
Number of Holdings:	47
Target Benchmark:	FTSE All-Share
Comparator Benchmark:	IA UK All Companies
Distribution Frequency:	Semi-Annual
Legal Structure:	OEIC
Valuation Point:	12:00 noon. Every UK Business Day
Base Currency:	GBP
Domicile:	United Kingdom

Risk and Reward Profile



Key Risks

- The value of investments and the income from them can fall and investors may get back less than the amount invested.
- Past performance is not a reliable guide to future performance.
- The fund invests in equity and equity related securities. These are sensitive to variations in the stock markets which can be volatile and change substantially in short periods of time.
- The value of an investment may be affected favourably or unfavourably by fluctuations in exchange rates, notwithstanding any efforts made to hedge such fluctuations.
- Significant exposure to a particular industrial sector or geographical region puts a Fund at risk of a localised event making a significant impact to the value of the Fund.
- A concentrated portfolio (whether by number of holdings, geographic location or sector) may be more volatile and less liquid than a diversified one.

Charges and Codes

Share Class	Income Distribution Policy	ISIN	Bloomberg	Ongoing Charges Figure*	Annual Management Charge**	Minimum Initial Investment	Minimum Top up Investment
R GBP INC	Income	GB00BRCCML71	TBWURIN LN	0.91%	0.75%	£100	£50
R GBP ACC	Accumulation	GB00BRCCMP10	TBWURGS LN	0.91%	0.75%	£100	£50
I GBP INC	Income	GB00BRCCMQ27	TBWUIGS LN	0.81%	0.65%	£1,000,000	£50,000
I GBP ACC	Accumulation	GB00BRCCMR34	TBWUIGA LN	0.81%	0.65%	£1,000,000	£50,000
F GBP INC	Income	GB00BRCCMS41	TBWUFGI LN	0.61%	0.45%	£100,000,000	£50,000
F GBP ACC	Accumulation	GB00BRCCMT57	TBWUFGA LN	0.61%	0.45%	£100,000,000	£50,000
S GBP INC	Income	GB00BTKTD991	TMBUVSG LN	0.71%	0.55%	£100,000,000	£10,000,000
S GBP ACC	Accumulation	GB00BTKTF046	TMBUVSA LN	0.71%	0.55%	£100,000,000	£10,000,000

*Ongoing Charges Figure (OCF) includes:

**Fund Annual Management Charge (AMC) - the annual fee, expressed as a percentage to cover the costs of running the fund.

Ongoing Cost - additional expenses are added to the AMC to give the Ongoing Cost.

Additional Expenses - charged by the fund managers to cover expenses, such as fees to auditors, trustees and valuers. The value is an indicative figure, which is reviewed regularly and can change.

The ongoing charges figure excludes portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling shares in another collective investment undertaking.

Important Information

This document is issued by Brickwood Asset Management LLP ("Brickwood"), which is authorised and regulated by the Financial Conduct Authority (FRN: 09910124). Brickwood's registered office address is 10 Queen Street Place, London, United Kingdom, EC4R 1AG. The company is registered in England and Wales under registration number OC450541. The TM Brickwood UK Value Fund is a sub-fund of TM Brickwood Funds ICVC, which is a UK UCITS scheme and an umbrella company for the purposes of the OEIC Regulations. The Authorised Fund Manager is Thesis Unit Trust Management Limited, Exchange Building, St John's Street, Chichester, West Sussex, PO19 1UP. Authorised and regulated by the Financial Conduct Authority (FRN: 186882). Brickwood is the investment manager of the Fund. Any decision to invest in a Fund must be based solely on the information contained in the Prospectus, the latest Key Investor Information Document and the latest annual or interim report and financial statements. This document has been prepared for general information purposes only and must not be relied upon in connection with any investment decision. Brickwood does not provide financial or investment advice. Under no circumstances should this presentation or any of the information contained within it be considered a substitute for specific professional advice. Potential investors should seek independent financial advice from a financial adviser who is authorised under the Financial Services and Markets Act of 2000 before making any investment decision. Past performance is not indicative of future results. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. The Portfolio tends to invest in fewer companies and may be more volatile than a broadly diversified one. The concentration of the Portfolio may vary, with higher concentration likely to lead to greater volatility. The fund is intended as a long-term investment and is not well suited for investors with a short-term investment time horizon. Please see the Risk Factors section in the Prospectus for further information. This document has been prepared by Brickwood using all reasonable skill, care and diligence. It contains information and analysis that is believed to be accurate at the time of publication but is subject to change without notice. Fund Assets and holdings-based analytics are calculated using Brickwood Asset Management's Investment Book of Records (IBOR). Due to timing and accounting methodology differences, IBOR data may differ from the Accounting Book of Records (ABOR) data provided by the Fund's accountant. The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Brickwood Asset Management LLP. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. This presentation is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. Any recipients outside the UK should inform themselves of and observe any applicable legal or regulatory requirements in their jurisdiction.