



AJ Bell Funds Quarterly Reports

As at 31 December 2025



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Market commentary:

The fourth quarter concluded a broadly positive year for markets, particularly for riskier asset classes such as equities. In contrast to the summer, the prevailing AI narrative shifted somewhat; however, just as sentiment appeared to wane, corporate earnings provided renewed optimism.

Markets, for the most part, endured the second-longest US Government shutdown on record. The resulting patchy economic data from the US made it somewhat difficult to ascertain underlying trends. Nevertheless, the Federal Reserve saw enough in the employment data to lower rates decisively, delivering two further cuts before year end.

After inflation in the UK hovered at nearly double the 2% target during the summer months, it subsided to 3.2% by November. This enabled the Bank of England to implement a final rate cut in December, which supported gilts across the curve, as did the smooth passage of the UK Budget. A similar trend in inflation was observed in the US, following a gap in coverage due to the Government shutdown. US inflation eased to 2.7% in November, allowing the Fed to focus on the employment aspect of its mandate.

Corporate bonds enjoyed another positive quarter, ending 2025 on a strong note. Credit spread compression and higher starting yields helped them outperform government bonds this year. Consequently, those segments of the bond market carrying greater risk, such as high yield bonds, proved to be more attractive allocations in 2025.

Despite headlines highlighting US markets reaching all-time highs, returns in sterling terms were comparatively muted over 2025 due to the weakness of the US dollar. In the fourth quarter, US market returns were supported by Alphabet's rise to challenge Nvidia in AI chip design, while the latter remained steady. The healthcare sector performed well after leading companies reached drug pricing agreements with the US Government. UK and European equities were also buoyed by financials, with healthcare stocks performing strongly. The UK market additionally benefited from the

materials sector, which rallied on the back of rising precious and industrial metal prices.

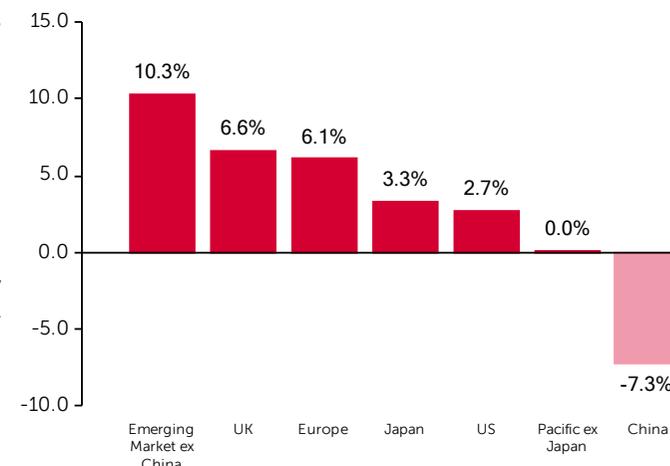
Emerging markets ex China continued their rally in the final quarter of 2025 as the AI theme and its supply chain attracted attention. Technology-heavy markets such as South Korea and Taiwan benefited, while Chinese equity markets and their AI leaders declined, reflecting their underlying reliance on consumer spending amid weaker economic data.

Looking ahead, AI is likely to remain a key theme, particularly for markets heavily exposed to the technological development and supply chains. As 2025 demonstrated, other themes across markets may attract less attention but remain significant.

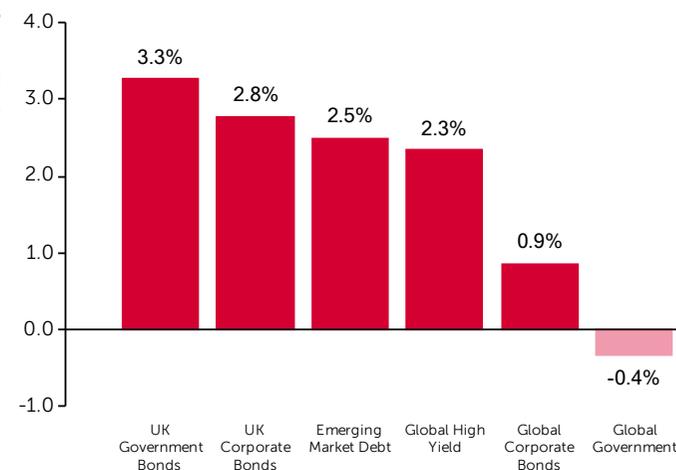
The rise in industrial metal prices towards the end of 2025 prompts questions about our position in the global economic cycle and the fragility of supply chains. This, in turn, brings inflationary dynamics back into focus. Despite some short-term relief, we believe there are considerable risks to maintaining inflation in line with central bank targets over the long term.

As ever there is a wide range of possibilities ahead of us, and therefore it is useful to return to one of our core investment principles: diversification. We see a continued need for a strong emphasis on diversification within bond and equity allocations in 2026.

Equity performance - last quarter



Fixed income performance - last quarter



CG AJ Bell Income

As at 31 December 2025



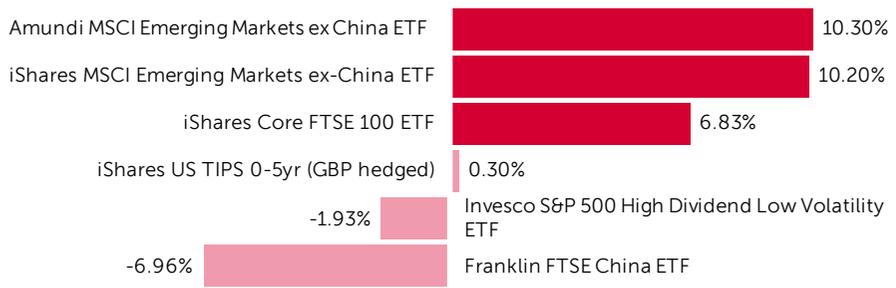
Portfolio commentary

The income fund returned 2.94% in the fourth quarter, delivering consistent income for investors. It focuses on preserving the value of its investments while generating monthly income. Despite worries ahead of the Budget, UK corporate bonds performed well, as did international bonds. One sector which had struggled this year, emerging markets bonds, bounced back for a strong end.

On the equities side, the UK and Europe both finished strong years with a positive fourth quarter. In North America, which has been more of a topic of conversation amid AI bubble fears, investor worries were quelled by strong earnings. Emerging markets ex-China had a strong run, with South Korea and Taiwan riding the AI wave.

We expect AI to continue as a major theme in 2026 but are cautious of the high valuations in the sector. This has led us to a smaller allocation to the US than the benchmark, but we continue to look for other areas that could benefit from the advancements at a more attractive price.

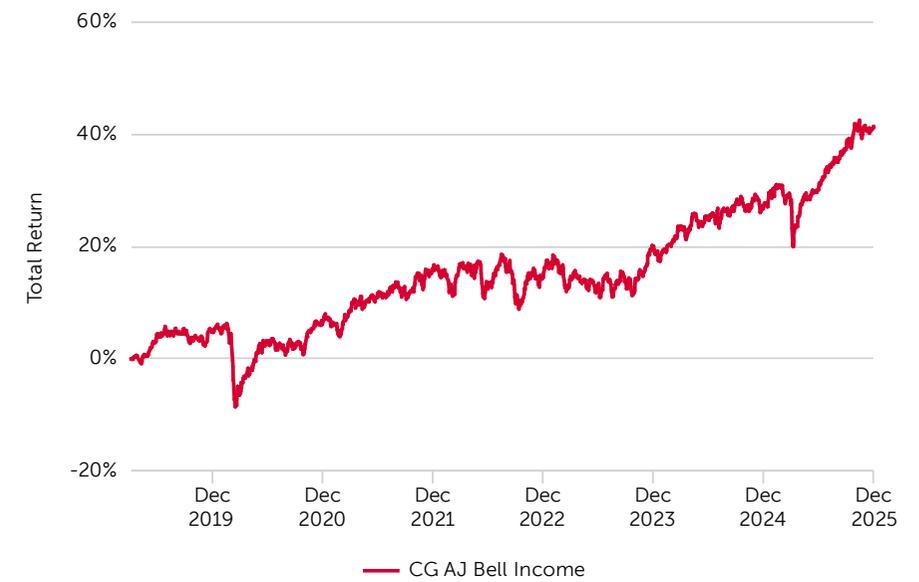
Q4 2025 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
CG AJ Bell Income	2.94	8.46	10.98	23.52	33.22	41.35

The above table displays the total return of the fund on a cumulative basis. This is taken from the most recent month end.



! Past performance is not indicative of future performance. The value of investments may go down as well as up and the income generated by investments is not guaranteed and may fluctuate. You may receive back less than the amount that you invested.

CG AJ Bell Income

As at 31 December 2025



Portfolio snapshot

Number of holdings	25
Inception date	08 Apr 2019
Fund size	£62.32m
ISIN	(I Acc) GB00BH3W7446

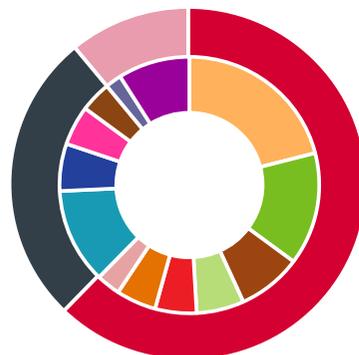
Top 10 holdings

Holding	Weight (%)
iShares Core FTSE 100 ETF	14.17
Invesco GBP Corporate Bond ETF	11.99
Fidelity US Quality Income ETF	11.10
Invesco S&P 500 High Dividend Low Volatility ETF	9.91
iShares £ Ultrashort Bond ETF	5.98
Fidelity Emerging Markets Quality Income ETF	5.01
Vanguard FTSE Japan ETF	4.40
Franklin Templeton European QualDiv ETF	4.19
iShares MSCI Europe Quality Dividend ETF	3.82
State Street Global High Yield Bond Screened Index	3.51

Risk profile

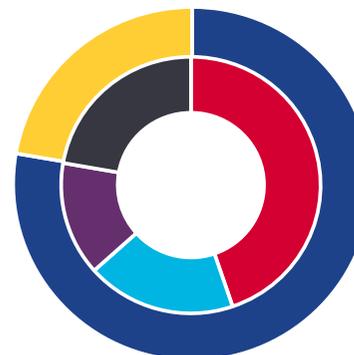
For investors who can tolerate short-term dips in portfolio value and understand the importance of investing for the long term to help in achieving higher overall returns. The portfolio invests in funds and exchange traded funds (ETFs), using a defined strategic asset allocation process to deliver returns while meeting the targeted level of risk.

Asset allocation (%)



Equity	62.25
North America equity	21.01
UK equity	14.17
Europe ex-UK equity	8.01
Japan equity	5.91
Emerging markets ex-China equity	5.16
Emerging markets equity	5.01
China equity	2.99
Fixed Income	26.78
UK corporate bonds	11.99
Emerging market debt	5.96
Global high yield bonds (GBP hedged)	4.99
International government bonds (GBP hedged)	3.84
Cash	10.97
Cash	2.00
Cash equivalent	8.97

Fixed income breakdown (%)



GBP Bonds	77.76
UK corporate bonds	44.77
Global high yield bonds (GBP hedged)	18.64
International government bonds (GBP hedged)	14.35
International Bonds	22.24
Emerging market debt	22.24

Equity breakdown (%)



Sector	Weight (%)
Financial Services	20.38
Technology	13.43
Industrials	10.65
Healthcare	9.59
Consumer Defensive	9.26
Communication Services	8.00
Consumer Cyclical	7.80
Energy	6.11
Utilities	5.29
Real Estate	5.16
Basic Materials	4.34

CG AJ Bell Income & Growth

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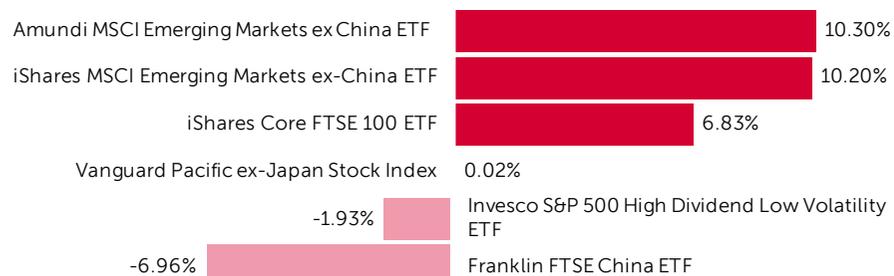
Portfolio commentary

This fund is designed to provide investors with regular income while aiming to preserve the value of their investments. With a 3.58% return in the fourth quarter, the fund has continued to deliver consistent income and capital growth. The UK continued to be a valuable part of the return in the fourth quarter. Europe followed suit, as did the US thanks to company earnings figures that comforted investors.

Emerging markets ex-China provided the strongest returns, as tech companies in Taiwan and South Korea benefitted from the AI boom. India, which has struggled to attract investors for much of the year without a major AI component, started to grow again in the fourth quarter. China was the only region that faced significant struggles in the period.

We expect AI to continue as a dominant theme this year but will focus on alternative ways to invest globally, broadening from the classic tech and communications plays in the US.

Q4 2025 best/worst performers



Performance

Cumulative (%)	3 months	6 months	1 year	3 years	5 years	Since inception
CG AJ Bell Income & Growth	3.58	10.87	15.03	36.17	52.50	53.51

The above table displays the total return of the fund on a cumulative basis. This is taken from the most recent month end.



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CG AJ Bell Income & Growth

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Portfolio snapshot

Number of holdings	19
Inception date	08 Apr 2019
Fund size	£106.12m
ISIN	(I Acc) GB00BH3W7883

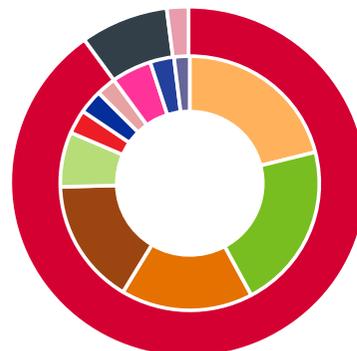
Top 10 holdings

Holding	Weight (%)
iShares Core FTSE 100 ETF	18.15
Fidelity Emerging Markets Quality Income ETF	16.51
Fidelity US Quality Income ETF	11.04
Invesco S&P 500 High Dividend Low Volatility ETF	10.04
Franklin Templeton European QualDiv ETF	8.52
iShares MSCI Europe Quality Dividend ETF	7.37
Amundi Prime Japan ETF	4.82
Vanguard Pacific ex-Japan Stock Index	3.01
Vanguard FTSE UK All-Share Index	2.90
State Street Global High Yield Bond Screened Index	2.55

Risk profile

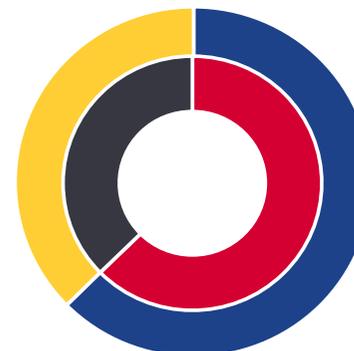
For investors who favour capital growth and regular dividend payments through a higher allocation to equities. Investors should understand the risk reward relationship that entails over the short, medium, and long term. The fund predominantly invests in funds, and exchange traded funds (ETFs), using a defined strategic asset allocation process to deliver returns while meeting the targeted level of risk.

Asset allocation (%)



Equity	90.05
North America equity	21.08
UK equity	21.05
Emerging markets equity	16.51
Europe ex-UK equity	15.89
Japan equity	6.99
Emerging markets ex-China equity	3.05
Asia Pacific ex-Japan equity	3.01
China equity	2.48
Fixed Income	7.98
Global high yield bonds (GBP hedged)	4.99
Emerging market debt	2.99
Cash	1.97
Cash	1.97

Fixed income breakdown (%)



GBP Bonds	62.59
Global high yield bonds (GBP hedged)	62.59
International Bonds	37.41
Emerging market debt	37.41

Equity breakdown (%)



Sector	Weight (%)
Financial Services	22.92
Technology	11.99
Industrials	10.89
Healthcare	8.91
Consumer Defensive	8.87
Communication Services	7.99
Consumer Cyclical	7.75
Energy	6.25
Utilities	5.07
Basic Materials	4.94
Real Estate	4.42

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The Ongoing charges figure (OCF) includes the underlying OCF, the annual management fee, and the costs for running and administering the fund structure. The annual management fee is variable, as it consists of the fixed OCF, minus all other costs.

Transaction costs represent the net costs incurred by the fund in buying and selling underlying investments. These are the gross costs offset with any pricing mechanisms used by the fund to protect investors from the cost of transactions (such as swing pricing). In some instances this may result in a negative number.

Due to its multi-asset nature, no financial instrument or index represents a fair benchmark for the Fund. The Fund does not aim to track the IA sector as a benchmark. Performance is calculated on a net of fees basis.

The assigned risk profiles do not indicate a promise, forecast or illustration of future volatility or returns nor represent investment advice or a recommendation to buy or sell units/shares in a fund or portfolio.

Based on target weights at portfolio rebalance. Totals may not sum to 100% due to rounding.

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The market capitalisation classifications in this report are based on a tiered methodology developed by Morningstar. Market capitalisation is the total value of a company's shares on the stock market. Under this method, giant-cap shares make up the top 40% of total market value; large-cap shares represent the next 30%; mid-cap the following 20%; small-cap the next 7%; and micro-cap the remaining 3%. These classifications are for analytical purposes only and may differ from other industry definitions.