Downing

Downing AIM Estate Planning Service

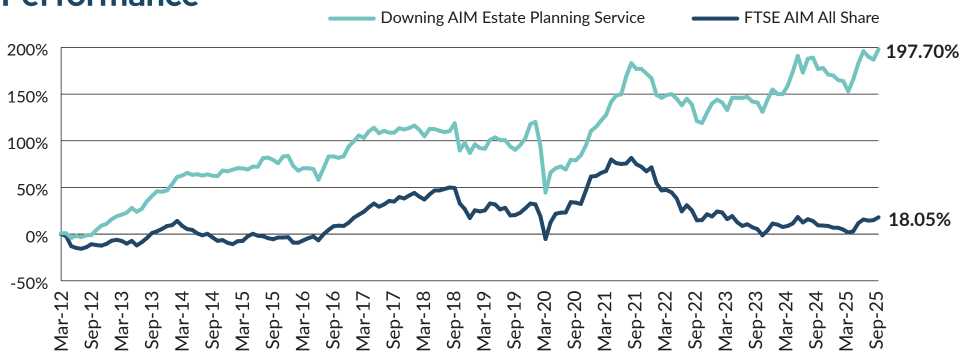
September 2025 Commentary

In the quarter, the Service returned 0.6% versus the index which returned 2.0%. We would not expect to outperform the index given the commodity-led recovery on AIM. Year to date, the Service has performed in line with AIM. If the government leans into a more business-friendly Budget in November, this could create a significant catalyst for UK equities. Falling inflation combined with stalling growth and increasing unemployment could provide scope for large interest rate cuts.

In the period, there were nine double-digit positive contributors to performance over Q3. Eagle Eye (+52%) re-rated following reassuring results, having reduced earnings guidance in a prior period. Brave Bison (+30%) completed the acquisition of MiniMBA, which was materially earnings-enhancing. The company subsequently issued strong results, a further acquisition, and upgraded earnings guidance. Anpario (+19%) published strong interim results, including an Americas division which almost doubled, aided by the acquisition of Bio-Vet. Avingtrans (+19%) issued strong results and upgraded earnings guidance, aided by several new contract wins for high-integrity doors and nuclear life extension. Ramsdens (+18%) continues to re-rate on a stronger gold price, which is expected to drive future earnings upgrades. FRP Advisory (+14%) had a strong quarter following a reassuring set of results and Q1 trading update, which provided confidence in growth prospects. Sigmaroc (+12%) published robust results with an improved margin performance ahead of the expected German infrastructure spending catalyst in 2026. Flowtech (+10%) issued a reassuring update demonstrating some momentum in recovering revenue and earnings and an upbeat outlook statement. The final company reporting a double-digit contribution is still a toehold position across client funds.

There were five double-digit detractors from performance in the period. Kitwave (-28%) warned on earnings due to cost-based inflationary pressures coupled with weaker than expected foodservice revenues due to weaker consumer spending. hVIVO (-29%) continues to experience weaker client demand for human trials due to a more challenging funding backdrop for US pharma. Gaming Realms (-11%) was affected by staking limits imposed on the UK business, meanwhile the US continues to grow strongly. Fonix (-11%) remains in a holding pattern while the market waits for evidence of growth promised from new regions and products. The final company that was a double-digit detractor is still a toehold position across client funds.

Performance



Cumulative performance (%)

	1m	3m	6m	YTD	1y	3y	5y	Launch
Service	3.87	0.56	17.81	10.19	7.36	34.50	66.20	197.70
FTSE AIM* All Share TR	2.68	2.04	16.08	10.41	7.85	2.78	-11.73	18.05

Discrete performance (%)

	30/09/2024 - 30/09/2025	30/09/2023 - 30/09/2024	30/09/2022 - 30/09/2023	30/09/2021 - 30/09/2022	30/09/2020 - 30/09/2021
Service	7.36	15.12	8.82	-20.09	54.64
FTSE AIM* All Share TR	7.85	3.90	-8.28	-34.34	30.79

Performance from inception to 30 December 2019 is based on the return of the first investor's portfolio in the Downing AIM Estate Planning Service and the Downing AIM ISA, net of fees. From 31 December 2019 onwards, the performance calculation includes every investor across both products, net of fees. Individual portfolio returns may be different to the consolidated returns stated on this factsheet.

Judith MacKenzie
Fund Manager

Judith is a Partner at Downing, having joined the business in 2009 and founding Downing Fund Managers in 2010. Previously, she was a Partner at Acuity Capital, managing AIM-quoted VCT and IHT investments and a small-cap activist fund. Prior to this, Judith spent nine years as a senior investment manager with Aberdeen Asset Management Growth Capital as Co-Fund Manager of the five Aberdeen VCTs, focusing on technology and media investments in both the public and private markets. Judith has managed the Downing AIM Estate Planning Service since 2012. The strategy employs a value-based style that favours a deep-dive approach to investing in public markets.

Nick Hawthorn
Fund Manager

Nick began working on the buy side in 2013 and joined Downing Fund Managers in September 2015 from BP Investment Management. Prior to this, he worked for Aberdeen Asset Management. Nick holds a MSc in Finance and Investment from Durham University and a MA in Accounting and Economics from the University of Aberdeen. Nick manages the Downing AIM Estate Planning Service alongside Judith.

Opinions expressed in Judith and Nick's commentary represent their views at the time of publication, are subject to change, and should not be interpreted as investment advice. Not all portfolios contain the holdings mentioned.

**The Index is shown for illustrative purposes only and is not considered directly comparable to the performance of this Service. Index: FTSE AIM All Share Index. Source of Service data: Third Platform Services Ltd & Downing. Source of Index data: FTSE.*

Past performance is not a reliable indicator of future performance.

Portfolio summary

As at 30 September 2025

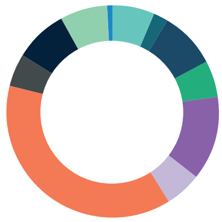
Top 10 portfolio holdings	%
Volex Plc	6.06
Avingtrans Plc	5.98
Cohort Plc	5.86
Ramsdens Holdings Plc	5.77
Hargreaves Services Plc	5.74
Sigmaroc Plc	5.22
Restore Plc	4.92
FRP Advisory Group Plc	4.90
Tatton Asset Mgmt Plc	4.62
Kitwave Group Plc	4.24

Portfolio by market cap

Market cap bands

- 32.98% £0m - £150m
- 29.57% £150m - £300m
- 17.37% £300m - £500m
- 20.08% £500m +

Portfolio by sector



- 1.87% Cash
- 2.12% Communications
- 9.25% Consumer Discretionary
- 5.58% Consumer Staples
- 13.71% Financials
- 5.83% Healthcare
- 39.52% Industrials
- 5.22% Materials
- 8.67% Real Estate
- 7.38% Technology
- 0.85% Telecommunications

Source of sector, market cap and top holdings data: Factset, Third Platform Services Ltd and Downing.

About the Downing AIM Estate Planning Service

The Downing AIM Estate Planning Service allows investors to obtain IHT relief after only two years by owning a portfolio of qualifying companies quoted on AIM, provided shares have been held for at least two years at death.

Our strategy enables investors to maintain control of their assets (no need for trusts or to gift assets to obtain IHT relief) and to withdraw funds from their portfolio at any time, subject to liquidity and 10 days' notice.

The Downing AIM Estate Planning Service aims to manage risk by spreading your funds across at least 25 companies across a variety of sectors.

The Service also benefits from Wealth Guard Cover, covering a loss in value of up to 20% on the net initial investment on death under the age of 90 years. This policy is included at no extra cost, with no medical exclusions or questionnaires. Please note, this is an annual policy and there is no guarantee that it will remain in place throughout the life of the investment.

There is also an option for life cover - insurance which covers 40% of your original gross investment (before charges) if you die in your first two years in the service. (Subject to terms and conditions).

Downing AIM Estate Planning Service is also available within an ISA wrapper.
Fees and charges are payable in respect of both the Downing AIM Estate Planning Service and ISA, please see the relevant product brochure for details. Visit downing.co.uk/daeps.

Why Downing Small-Cap?

- Experienced and qualified Downing Fund Managers team headed by Judith MacKenzie
- Private equity approach to micro-cap investing, drawing on our private equity and venture capital heritage
- Advisory Committee oversight provides access to many years of investment experience
- Value strategy with rigorous bottom up approach
- Exhaustive diligence process that can take up to 18 months
- Aims to manage risk by spreading your funds across at least 25 AIM-quoted companies in a variety of sectors
- Seeks to invest in profitable businesses with strong management teams and an enduring competitive advantage.

Risk warning:
Your capital is at risk, and you may not get back the full amount invested.

Tax treatment depends on the individual circumstances of each investor and may be subject to change. The availability of tax reliefs depends on investee companies maintaining their qualifying status. Investments in smaller companies will normally involve greater risk or volatility than investments in larger, more established companies. Return is the value of investments, plus cash, including income, after deducting all charges, excluding any initial fee. Please note that past performance is not a guide to future performance.

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