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KES INCOME & GROWTH FUND

Assessment of Value Report

For the year ended

31 August 2025

Fund Information

Fund objective:	The objective of the Scheme is to provide income and capital growth, net of fees, over a rolling 5 year period.
Fund size:	£3,193,840
Performance Comparator:	IA Mixed Investment 40-85% Shares

Assessment of Value

The Board of the Authorised Fund Manager (AFM) is required to perform an annual Assessment of Value for each unit class within the fund and to report its findings to investors.

The Assessment of Value places a responsibility on the AFM to determine whether the fees and charges of the fund are justified in the context of the overall service and value provided to investors.

Following the introduction of the Assessment of Value requirement in 2019 the AFM now has four independent non-executive directors appointed with a particular remit to oversee and challenge the Assessment of Value process conducted in relation to the fund.

In this Assessment of Value report, we have used a traffic light system whereby:

The fund has delivered value to investors

The fund has delivered some value to investors but action may be needed to improve value delivery

The fund has not delivered value to investors and action is needed before value will be delivered

Independent AFM model - terminology

The AFM has the regulatory responsibility for all aspects of the fund operations including the actions of its delegates. Its role requires a focus on good investor outcomes, investor protection, oversight, compliance and general regulatory matters.

The Investment Manager is appointed by the AFM and has the full discretion to manage the assets of the portfolio in accordance with the fund's objective and investment policy. The Investment Manager is the entity which delivers out- or under-performance on behalf of investors. It is the entity which in turn receives the greatest share of the Annual Management Charge.

The Investment Manager and the AFM can be part of the same organisation or separate. When they are separate the fund can be described as having an Independent AFM which is the case with the KES INCOME & GROWTH FUND

Background to our firm - Independent AFM

Thesis Unit Trust Management Limited is a specialist provider of independent AFM services. Our approach to delivering good outcomes for investors in our funds, from the initial design phase and throughout the fund life cycle, is based upon having the right blend of experience, culture and governance.

We choose to work with a variety of service providers (fund accountants, depositaries, transfer agents and auditors) and provide independent, bespoke and flexible solutions. By outsourcing day-to-day activity to specialist providers our teams can focus on investor outcomes, risk management, oversight, product governance and regulatory change.

We delegate fund servicing to a panel of reputable institutions. Consequently, we have an informed view of this part of the supply chain. We benchmark those fund servicers against a range of criteria including service and cost. We build close relationships with our delegates at all levels within our respective organisations allowing for effective escalation when appropriate and always with the best interests of investors in mind. We are also able to change a service provider with relative ease as and when required to improve quality of service, reduce cost or for other strategic or operational reasons.

We delegate investment management to a wide range of firms who utilise different strategies and investment techniques. As such we have a broad and informed view of the investment management marketplace and independently benchmark across a range of criteria including service, performance and costs. Coming from a fund management background we have qualified investment managers and research analysts within our AFM business who have the experience to monitor fund performance and challenge third party investment managers on behalf of investors in the funds.

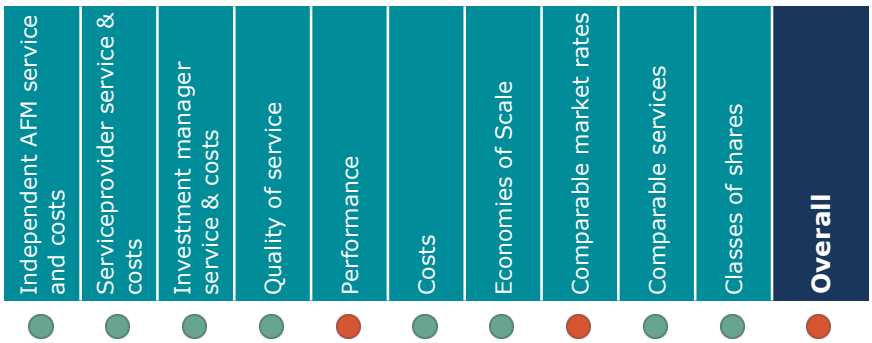
KES INCOME & GROWTH FUND was established to meet the unique requirements of a certain group of investor(s) and, whilst the fund remains open to investment by all, it is not proactively promoted more widely. Whilst the AFM has made certain comparisons to other funds that it operates on a similar basis, it has not made direct comparisons to other actively marketed funds. This is because this fund by its very nature will have certain different and valuable features:

- It is smaller in size and may thereby carry a higher OCF
- It has the flexibility to be managed in accordance with a wider investment policy and to have more than one Investment Manager.
- The AFM and Investment Manager(s) will typically offer additional and tailored services to meet the individual requirements of the investor(s) including reporting and meetings.
- The fund is not managed to track, target or be constrained by a specific benchmark and may perform differently to other funds under certain market conditions.

In the absence of a relevant benchmark, the IA Mixed Investment 40-85% Shares is the Comparator set out in the prospectus to review the past performance of the fund. Any historic under- or out- performance over different periods has therefore been reviewed against a backdrop of the above and having due consideration to the bespoke nature of the fund and the objectives of its investors.

Overall Assessment of Value

Following our assessment, the board of Thesis Unit Trust Management Limited has concluded its assessment of value for each unit class as follows:



The following pages detail how we assessed each criteria and our overall assessment along with any detail on any action we may take.

Independent AFM - service and costs

In assessing the quality and cost of our independent AFM service we have concluded that we have delivered a service that meets the requirements of investors in the fund, and the fund sponsor, and which has delivered value.

Examples of the criteria that we considered included the operation and compliance of the fund (including the number of errors and investor complaints), the results from the depositary's inspection and audit of our AFM arrangements, and other factors such as the implementation of regulatory change at no cost to investors.

We judge whether our AFM fee is competitive and can be justified based on feedback from independent consultants, our clients who select us and when existing funds move to us from our competitors. Our fees are tiered thereby providing economies of scale for investors as the fund value increases.

Service provider and costs

Having separately assessed the quality and cost of the outsourced fund service providers we have concluded that services have met the requirements expected and delivered value to investors.

Examples of the criteria that we considered included Key Performance Indicators in the key areas including pricing, delivery of statements, delivery of report and accounts, and investor complaints.

We have assessed that the service providers' fees are competitive and provide value to investors by benchmarking against the other service providers on our panel. The majority of fees are tiered thereby providing a mechanism for economies of scale as the fund value increases.

Investment manager services and costs

It is our judgement that the experience of investors in the fund and an assessment of whether the fund has delivered value is most directly impacted by the services, performance and costs that are attributable to the Investment Managers.

Further details of our value assessment, with a particular focus on the Investment Managers, are shown below:

Quality of service

The range and quality of service delivered by the Investment Manager including the experience of the team, track record, quality of relationship with our AFM team, and the results from our governance and oversight arrangements.

We monitor the Investment Managers on a daily basis, and maintain frequent contact with them on a range of aspects of their work including adherence with the investment mandate and policy, liquidity management, and fair value pricing as well as regulatory compliance. We have more formal contact quarterly and further periodic reviews on a thematic basis.

We are satisfied that the Investment Managers continue to meet our requirements and provide a good quality of service.

Costs

Whether the charges are reasonable compared with the costs of providing the service (considering factors such as the size of the Investment Manager, its balance sheet strength and profit margins).

At £3,193,840 we do note the fund's small size meaning that some parties fixed minimum costs apply however we are satisfied that the costs charged to the fund are reasonable given a holistic assessment of the benefits that accrue to its investors.

Economies of Scale

The AFM, Depository and Administrator have set fees on a tiered basis, at appropriate levels, although the fund is not of a size to benefit.

Comparable services

The Investment Managers' charges on this fund, considering the size and mandate, are in line with their charges for comparable services to other investors

Performance

Whether the fund has provided good performance, net of fees, in relation to its investment objective. We have considered performance against the fund's benchmark and/or appropriate peer group, compliance with investment policy, volatility and liquidity, and any evidence of closet tracking.

Investment Performance

The fund is being actively managed in accordance with the investment objective and policy. Performance number/s are shown below along with that of the Comparator

Unit classes in issue	One Year 31/08/24 31/08/25	Three Years 31/08/22 31/08/25	Five Years 31/08/20 31/08/25	- - - - - -	- - - - - -	- - - - - -	- - - - - -	- - - - - -	- - - - - -
Thesis KES Income & Growth Inc	4.3%	9.0%	16.2%	- -	- -	- -	- -	- -	- -
Performance Comparator									
IA Mixed Investment 40-85% Shares	7.8%	21.7%	34.1%	- -	- -	- -	- -	- -	- -

All performance numbers (incl. foreign currency share classes and indices) are Total Return and in GBP unless stated otherwise.

The fund's return is less than half that of the performance comparator over its objective horizon. One of the fund's two investment managers has underperformed whilst the small size of this fund, which incurs minimum fees from fund service parties, also leads to a high OCF which creates an higher performance hurdle.

Comparable market rates

Whether the charges are comparable with similar funds in this sector of the market.

The AFM uses a peer group to compare the overall cost of this fund. The peer group has been selected for cost comparison purposes because the asset parameters (or objective in the case of absolute return funds) for its constituent funds are closely aligned to those of this fund. The peer group may include funds managed under a range of strategies. Where the peer group includes funds managed wholly or materially through investment in passive assets, these will generally have lower costs than actively managed funds, which are typically more expensive. Similarly, where the peer group includes active funds managed wholly or materially through investment in other funds, these are typically more expensive than directly invested funds. Explicit index tracking funds are removed from the peer group.

Unit classes in issue	OCF
Thesis KES Income & Growth Inc	2.66

It is our assessment that the OCF of this unit class is higher than the OCF of other similar funds in the market

Peers	Average OCF
IA Mixed Investment 40-85% Shares	0.85

The OCF of this fund is higher than peers as a function of minimum fees applied by service providers (standard and fair commercial terms) and also becase the Investor Manager/s provide a bespoke service. Funds within the comparison group are typically larger, have lower minimum investment/holding criteria and are widely distributed on investment platforms where investors do not receive the same level of reporting. We have therefore taken these points of difference into account in our assessment.

Classes of Units

As an independent AFM we operate multiple funds with differing share classes but within this criteria we consider the range of share classes available in the fund, their differences (such as charges) and whether investors are in the appropriate share classes.

The fund only has one class of unit in issue.

Overall Assessment of Value

Following our assessment, the board of Thesis Unit Trust Management Limited has concluded that due to a combination of its performance relative to benchmark and its overall costs compared to the market the fund may not have delivered value to investors.

The minimum charge of a number of parties to the fund make for a high overall cost although we consider the charges fair for the services they deliver. The investment managers do not charge any minimums. The underperformance of one manager and the high costs of this fund have undoubtedly created a drag on performance and as such it is our independent assessment that the fund has not delivered value to investors when measuring the performance of the fund against its comparator and the ongoing charges figure against peers. We do however note that the charges cover additional services where the fund has been designed specifically for a limited number of investors and that the fund is not distributed more widely. These Investors receive bespoke reporting and meet with the Investment Managers to discuss performance and costs where they are able to consider whether the fund continues to meet their long term requirements. We have received feedback that the investors still find benefit in the fund structure despite our Assessment of Value. We will continue to robustly challenge all parties and the Investment Managers on the steps that they can take to increase the value delivered to investors longer term.